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Bessmertnykh Closed Session CSCE Speech Cited

PM2106120591 Moscow IZVESTIYA in Russian 21 Jun 91 Union Edition p 4

[IZVESTIYA correspondent V. Lapskiy report: "Differences Can Be Overcome; At the CSCE Foreign Ministers' Conference"]

[Excerpts] Berlin—The CSCE once again numbers 35 participants. Last year the GDR was removed from the list, but Albania, which hitherto kept aloof, has now been joined the list. This fact that indicates per se the profound changes in European thinking.

The participants in the CSCE foreign ministers' conference were welcomed on Wednesday by FRG Chancellor Helmut Kohl. [passage omitted]

Following the chancellor's speech, the ministers sat in camera. [passage omitted]

A representative of the Soviet delegation said that USSR Foreign Minister A.A. Bessmertnykh advocated a new mandate for talks on disarmament in Europe. The Soviet Union favors the pan-European process' not being subordinate to the goals of NATO or any other European political formations. A. Bessmertnykh's speech was largely devoted to the problems of relations between the new European structures and NATO. He warned against a situation whereby conditions of security in one part of the continent are drastically different from those in another part. Stability and security in Europe, according to the Soviet minister, presuppose profound changes in all organizations and a move toward structures that embrace the entire continent.

As for a new mandate for talks on disarmament in Europe, the Soviet delegation head advocated broadening its participants and extending these talks to naval forces. In his opinion, a consistent policy is necessary, geared to creating nonbloc pan-European structures and a formation like a European Security Council.

Disagreements arose between the Soviet delegation and a number of other participants in the conference over the question of the specific functions of the new CSCE mechanism for settling conflict situations in Europe. However, both the meeting's participants and the correspondents following its work are in an optimistic mood—there is another day's work ahead and these disagreements can be overcome.

Bessmertnykh Evaluates Meeting

LD2106181391 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 21 Jun 91

[From the "Vremya" newscast]

[Excerpts] The session of the foreign ministers of the CSCE participating states has ended in Berlin. [passage omitted]

[Begin Bessmertnykh recording] I believe that everything should be just like this, that is, the common European processes are the basis of stability and the basis for the security of Europe. The other existing mechanisms may survive on entering, so to speak, the common European system, or dissolve in it, or simply die. [end recording]

[Correspondent Mostovoy] The results of the two days of work of the heads of diplomatic missions provide a genuinly unique possibility of realizing the unity of the international community without sacrificing the variety of nations and cultures. It is no coincidence that alongside the main sessions of the council meeting in Berlin, there were many bilateral meetings and consultations including between representatives of public organizations of Latvia, Lithuania, and Estonia. The conversations concerned human rights.

The aim of the Ukrainian and Belorussian foreign ministers' press conference was to draw the attention of the world community to the difficult situation in the areas suffering from the Chernobyl catastrophe, the consequences of which have still not been fully revealed. In order to overcome them joint efforts, close contacts, and unity are necessary, a succesful prototype of which could be the moment in the Berlin meeting called a family portrait by the organizers. In parting with the participants of the Berlin meeting, we say: Let peace and prosperity always reign in the family of peoples.

CSCE Berlin Meeting Said 'Fairly Constructive'

PM2306144791 Moscow KRASNAYA ZVEZDA in Russian 21 Jun 91 First Edition p 3

[Report by Special Correspondents Captain First Class V. Kuzar and Colonel V. Markushin: "New Ideas for the Old World"]

[Text] Berlin—The first session of the CSCE member states' Foreign Ministers Council founded at the Paris summit began in the Reichstag building in Berlin 19 June. It opened with an unusual event: The CSCE now has a 35th member—Albania.

After the opening speech from German Foreign Minister Genscher, the participants in the session were addressed by FRG Chancellor Kohl. Noting the tremendous significance of the all-European forum and its principles, he went on to stress the need for a coordinated policy which would give those principles real content and increase the joint responsibility of the CSCE participants for European security. In this connection, the chancellor called for the regularization of political consultations, the expansion of the existing institutions for the prevention of potential crises, and the creation of new mechanisms for overcoming conflicts and settling disputes, which is dictated by the development of the situation in a number of parts of Europe.

At the same time, H. Kohl stressed the importance, as he saw it, of such foundations of the architecture of Europe as the Council of Europe, the EC, and NATO. In the chancellor's opinion, the North Atlantic alliance, as an inalienable element of security, could be adapted to the changed situation and enter into active cooperation with the USSR and the East European countries.

This idea was also broached by other participants in the session during a discussion behind closed doors. As it became known at the press center, U.S. Secretary of State Baker paid great attention to it. He called among other things for an expansion of the transatlantic community to Central and Eastern Europe and the Soviet Union. The aim of the United States and its NATO allies, Baker believes, should be the building of a Euro-Atlantic community from Vancouver to Vladivostok.

This is a truly new idea. But should the CSCE process, like other current European formations, be subordinated to NATO's aims? In our view, these organizations should work for the CSCE process if we want the European idea to triumph. The continent's security and stability presuppose a profound transformation of all existing organizations and associations and a switch to structures embracing all Europe, not just part of it.

As a member of the Soviet delegation told us, USSR Foreign Minister A. Bessmertnykh spoke about a consistent policy of creating non-bloc all-European structures. The Soviet minister advocated in particular the expansion of the functions of the Conflict Prevention Center, the enhancement of the role of the senior officials council, the creation of economic and scientific and technical cooperation organs, the adoption of ecological and transport programs, and, in the long term, the formation of a European security council based on the council of ministers, parliamentary assembly, and other structures.

On the whole, the discussion is taking place in a fairly constructive spirit. That point has been made a number of times here by, among others, the Belgian foreign minister, who met with a group of journalists after making his speech. It is to be hoped that this spirit will be preserved until the end of the session. There are disturbing factors, however. They concern the fuss surrounding the official representatives of the Baltic republics.

As is well known, the foreign ministers of Estonia, Latvia, and Lithuania were invited to participate in the Soviet delegation. They declined that offer, however, and came to Berlin as guests of the Scandinavian countries' delegations. That status does not allow them to take part in the council session's work. Nevertheless, they are continuing to try to persuade the public that they are the sole representatives of their peoples.

"But that is wrong," Colonel E. Kasperavicius, member of the leadership of the congress of democratic forces of Lithuania which amalgamates over two dozen social organizations, told us. "We also came to Berlin as guests to represent here those people in the Baltic region who disagree with the policy of the republics' present leadership. Six months ago we did not feel that we had such strength. Now, however, we can speak of a powerful and well organized opposition numbering at least 1.3 million people. They are people who have experienced discrimination and the infringement of human rights for themselves. They are people who advocate the preservation of their republics within the USSR.

Results of Foreign Ministers' Session Welcomed

PM2406105991 Moscow PRAVDA in Russian 22 Jun 91 First Edition p 3

[Aleksandr Stepanov commentary: "Time for Practical Steps"]

[Text] Berlin, 21 Jun—Whether it was his exceptional experience of work within the CSCE (since 1975 H.-D. Genscher has taken part in every meeting at foreign minister level) or the strict 5-minute rule instituted by him as chairman which was the cause, the CSCE Council of Foreign Ministers' work in Berlin ended even earlier than expected.

Let us consider today, hard on the heels of the meeting, as it were, certain conclusions drawn by the "captains" of European and North American diplomacy.

They agreed that the political and economic transformations aimed at developing a market economy which are now under way in many countries of East Europe and the USSR are playing a highly significant role. It was also stressed that it is important to continue giving support to those countries in their attempts to democratize social life and transform their economies. As experienced observers of CSCE activity had surmised, the ministers deemed it necessary to confirm that cooperation in the sphere of economics, science, technology, and environmental protection remains an important component of the Helsinki process.

The hopes of those who expected that the Council of Foreign Ministers would closely examine and define the mechanism for consultations and joint action in emergency situations were realized. By emergency situation is understood a situation which could arise in a CSCE country as a result of its violation of the basic principles of the Final Act or as a result of the development of events threatening peace, security, and stability. What does this mechanism consist of, then, and how should it work?

If any member-country considers that an emergency situation really does exist, it will be entitled to demand the necessary explanation from the state or states where the event is taking place. The explanation must be furnished within 48 hours.

Imagine that the initiators of the request are not satisfied or the situation continues to deteriorate. What then? Then they are entitled to demand the convening of an emergency session of a committee of senior officials.

The organization's decision to strengthen the Vienna Conflict-Prevention Center is undoubtedly a positive outcome of the Berlin meeting. Each CSCE member-country has to assign up to four staff to it, who will take on all the necessary work.

The task of resolving a number of practical questions has been vested in the committee of senior officials, which is, by all accounts, becoming the main executive organ within the CSCE. It is this committee which will carry out all the preparatory work for the next session of the CSCE Council of Foreign Ministers.

For many years Berlin was the symbol of the agonizing division of Europe, its separation into irreconcilable, antagonistic blocs. It is to be hoped that the name of this city will be associated not only with the achievement of unity for the German nation but with a tangible new step toward European unity. Will it prove so? Naturally, only time will tell.

United States & Canada

Yeltsin Continues U.S. Visit, Returns Home

June 19 Activities

PM2106131791 Moscow IZVESTIYA in Russian 21 Jun 91 Union Edition pp 1,4

[Report by correspondent A. Blinov: "B. Yeltsin's Stay in the United States"]

[Text] Washington—A kind of "Russia Day" took place on the U.S. Capitol last Wednesday. A whole series of crucial meetings and conversations were held involving B.N. Yeltsin, who is visiting the United States. He was received by Congressional leaders and visited the House of Representatives Foreign Affairs Committtee, and was then the guest at an official luncheon with more than 70 U.S. federal legislators.

Congressional leaders—the "Capitol's boyars," as one said—showed a vigorous interest in the Russian leadership's approaches to questions of economic reform, the market economy, and private ownership.

When this question was raised at a meeting in the House of Representatives Foreign Affairs Committee, B.N. Yeltsin responded by saying: "We have no other way but reform in all spheres of life in Russia and throughout the country. We will advance along that road." According to him, this month's presidential election—the first in Russia's thousand-year history—confirmed the irreversibility of this course.

"This indicates the positive changes that are taking place in our country and in Russia. It is an extension of the processes that Gorbachev, the country's incumbent president, began in 1985," B.N. Yeltsin said. "In this time there have been half-measures and there have been mistakes and difficulties, of course, in the renewal of society. As for the election of the Russian president, I would like to stress that it is not so much a matter of the individual as the fact that democratic forces have won through."

Speaking at a luncheon in Congress, B.N. Yeltsin noted that the reform program in the RSFSR [Russian Soviet Federated Socialist Republic] makes provision for the creation of a market economy on the basis of diversity and equality for all—including private—forms of ownership, the privatization of property, the transfer of land to the peasants, and credit and financial reform. The Russian republic is interested in developing mutually beneficial cooperation and direct business ties with the United States.

Direct capital investments by foreign business in the republic's economy should play a special role in this, B.N. Yeltsin believes. He said that a law will be adopted soon creating a favorable climate for investors from across the world to set up their enterprises in the Soviet Union and control and manage them as they see fit.

U.S. legislators frequently asked B.N. Yeltsin how relations are now developing between the USSR and RSFSR leaderships and between him and M.S. Gorbachev personally. "Since the signing of the 'Nine plus One' statement relations have now become balanced and businesslike. At the same time we are not renouncing our principles," B.N. Yeltsin said.

In his reply speech G. Mitchell, leader of the Senate Democrat majority, stressed that the United States is prepared to "support and provide limited aid for reform" in the Soviet Union. Senator R. Dole, leader of the Senate Republican minority, expressed a wish to recommend that the White House "further develop direct ties with the republics in addition to relations with the central government."

U.S. press organs have cited an administration spokesman's words to the effect that the United States "has no intention of establishing separate diplomatic relations with the republics but will, from the practical viewpoint, strive to broaden cooperation with all strata of Soviet society." "In the future the Russian republic will be a very important partner in economic relations, exchanges, and a broad range of spheres," he said.

B.N. Yeltsin visited the headquarters of the prominent U.S. trade union association—the AFL-CIO. A ceremony was held in Washington's Kennedy Center concert complex at which he was awarded the international prize "For Democracy."

The leader of the Russian republic received a warm reception from Americans during his visit to the Lincoln Memorial. "Abraham Lincoln was a great man who has become a symbol of democracy," B.N. Yeltsin said during an ad hoc conversation with people gathered at the monument. "He preserved the unity of the United States as a great state. He preserved the freedom of the individual, of the U.S. citizen."

Recounts Meeting With Bush

LD2106111391 Moscow All-Union Radio First Program Radio-1 Network in Russian 0700 GMT 21 Jun 91

[Report by correspondent Lidiya Podolnaya and Sergey Levskoy]

[Excerpt] [Levskoy] Boris Nikolayevich Yeltsin is in New York now. About three hours ago he had a meeting with Soviet journalists who work in this city, at which he gave his view of the meeting with the president. Very different forecasts, including quite pessimistic ones, had been made regarding that meeting. One must say that they have proved incorrect. Boris Nikolayevich Yeltsin said that the U.S. Administration has agreed to develop bilateral relations with the Soviet Union, that is, both with the center and republics. Speaking about the results of his conversation with George Bush, Boris Nikolayevich Yeltsin noted:

[Begin Yeltsin recording] [word indistinct] In these talks that, for the first time, the president said that yes, they are prepared to do business with the Soviet Union at two levels, that is, with the center and republics, including with Russia. After that we specifically discused four programes and it was agreed that these four programs should be developed and then an agreement should be signed to implement them. [end recording]

[Podolnaya] Sergey, perhaps, clarification is needed regarding the four programs we are talking about?

[Levskoy] At the meeting with the President at the White House, cooperation in processing and storing food products, conversion of military enterprises, exchange of trainees and specialists and, finally, creating joint air transportation enterprises were discussed. The U.S. President spoke in favor of work on these four programs. An accord was reached to the effect that preparatory commissions of specialists would be set up as soon as possible which would start working on their specific implementation. [passage omitted]

Comments on White House Talks

PM2406101591 Moscow PRAVDA in Russian
22 Jun 91 Second Edition p 3

[Report by correspondent V. Gan under the "Visits, Contacts" rubric: "Dialogue in Washington. B.N. Yeltsin's Visit to the United States"]

[Text] Washington, 21 Jun—B.N. Yeltsin's stay in Washington—he is paying a working visit to the United States—has ended with a conversation with U.S. President G. Bush in the White House Oval Office.

His meeting with Bush was, of course, the culmination of the visit. During the welcome ceremony in the White House Rose Room the U.S. President publicly congratulated his guest on his election victory, which "made him the first democratically elected leader of great Russia in its rich, thousand-year history."

At the same time, President Bush commented: "I want to be extremely clear—the United States will continue to maintain the closest official links with President Gorbachev's Soviet Government. In the few minutes that we spent in the office, President Yeltsin told me that he and President Gorbachev are in very close contact and cooperating with one another. He (B.N. Yeltsin—V.G.) knows that I have tremendous respect for President Gorbachev, just as I have for him. We have developed excellent relations and our ability to work together has, I believe, brought our two countries tremendous advantages and served the cause of international peace and stability.

"Therefore," Bush continued, "let us not forget that it was President Gorbachev's courageous policy of glasnost and perestroyka that was the key factor enabling us to end the Cold War and make Europe whole and free."

In his reply speech one question broached by B.N. Yeltsin caused obvious animation—owing to either the wording or the translation—making even Bush say that he knew nothing about this and therefore wanted to hurry up and start the conversation in order to find out all the details. What was he talking about? After thanking the President for his kind words about Russia, M. Gorbachev, and himself, the guest said that under a law that has just been adopted by the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet all aid to all foreign states without exception, Cuba and Afghanistan included, is to cease. President Bush and other administration representatives, however, understood this to be a question of a Union rather than a Russian law, which is what caused the mini-sensation.

The conversation with Bush lasted half an hour. At a news conference B.N. Yeltsin described his conversation with Bush as very interesting, very constructive, and concrete. "We did not talk about outright aid. We spoke about resolving a number of specific problems—a program for processing and storing agricultural produce, a program for training and retraining our cadres and managers in the United States, and the problem of setting up joint transport firms in view of the fact that there will now be direct trading dialogue between America and Russia. This is all with Gorbachev's consent, since it causes no difficulties for him. We spoke about setting up a joint Russian-U.S. bank to resolve privatization questions. The fourth problem was conversion. America has great experience in this field, and the conversation touched on the issue of developing a special program to convert our defense enterprises. In addition we discussed a number of questions relating to privatization, the program drawn up by the Yavlinskiy-led experts group, questions relating to the situation in various countries of the world, questions of security, and questions of nuclear weapons and cuts in arms and armed forces."

Incidentally, B. Scowcroft, U.S. presidential national security adviser, openly confirmed this.

At a briefing for correspondents after his meetings with Bush and Quayle B.N. Yeltsin said that any U.S.-Russian cooperation programs "will be carried out with the center's consent." In his opinion, the Russian law halting aid to foreign states will have no real effect since that aid is controlled by the central government. *Scowcroft said that President Bush will probably send a written message to Gorbachev or telephone him to brief him on the results of Yeltsin's visit.*[italicized sentence is published in PRAVDA 22 Jun First Edition version of this report but dropped in Second Edition]

Answering questions during an appearance at the National Press Club in Washington, B.N. Yeltsin said the following about his relations with the USSR president: Our relations were uneven, but not as rivals. Of course, we had nothing personal against one another. We had—and still do have on some things—varying positions. That is all. When he decided to lean on the left shoulder in April after three dark months—January, February, and March—and I, accordingly, took a step forward, there came an opportunity to sign the "Nine plus One" statement." Our relations are now balanced and businesslike. These relations will not change, provided that Gorbachev does not change.

B.N. Yeltsin left for New York Thursday evening.

Bush Comments on Talks

PM2406095191 Moscow IZVESTIYA in Russian 22 Jun 91 Union Edition p 4

[Washington report by correspondent A. Blinov and New York report by correspondent A. Shalnev under the general heading: "B.N. Yeltsin's Visit to United States"]

[Text] Washington—A conversation between U.S. President G. Bush and RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet Chairman B.N. Yeltsin, who was in Washington on a visit, took place Thursday [20 June] at the White House.

Before the meeting G. Bush and B.N. Yeltsin appeared before journalists in the Rose Garden near the entrance to the U.S. President's Oval Office. They made brief statements that essentially determined the tone of the subsequent conversations.

B.N. Yeltsin noted that the RSFSR leadership and peoples firmly intend to continue to follow a course of democracy and socioeconomic reforms. He noted the importance of the achievements in the sphere of international security secured by the joint efforts of the USSR and U.S. Governments and the two countries' presidents—M.S. Gorbachev and G. Bush.

G. Bush expressed satisfaction with B.N. Yeltsin's assurances regarding his "commitment to democratic values and free market principles." He stressed that his meeting with the leader of a union republic within the USSR does not contradict the official relations between the U.S. Administration and the union government.

"I want to make it clear that the United States will continue to maintain the closest possible official links with the Soviet Government of President Gorbachev," G. Bush declared. He also noted that literally in the first minutes of their meeting at the White House B.N. Yeltsin had briefed him on his close cooperation with M.S. Gorbachev.

"Let us not forget that it is precisely the courageous policy of glasnost and perestroyka pursued by President Gorbachev that was the key factor ensuring an end to 'cold war' and unity and freedom for Europe," G. Bush said.

The subsequent 90-minute conversation, in which members of the RSFSR delegation, cabinet members, and aides to the U.S. President also took part, and visit to the office of U.S. Vice President D. Quayle were devoted not only to establishing contact between the U.S. and RSFSR leaders but also to practical questions of developing ties between the Russian republic and the United States.

"The meeting was held in an atmosphere of mutual interest and was specific in content," B.N. Yeltsin noted at the end of the meeting.

"What are the details of the future U.S. direct aid to Russia?"

"We did not discuss direct aid, but ways of solving a number of problems were discussed. In particular, there was discussion of programs for processing and storing agricultural produce and programs for the training and retraining of our cadres in the United States, especially managers."

The idea of creating transport firms for the shipment of goods was discussed in connection with the establishment of United States-Russia direct trade dialogue. All this is with the consent of USSR President M.S. Gorbachev, so it will not place the central government in an awkward position. We discussed the possibility of creating a joint Russian-American privatization bank. Another field is peaceful conversion, in which the United States has great experience. We discussed setting up a special program for the conversion of our defense enterprises, B.N. Yeltsin said.

The conversation also touched on privatization questions, the program of G. Yavlinskiy's group of experts, questions of the situation in various countries of the world, and problems of security and nuclear weapons and of the reduction of armaments and armed forces, B.N. Yeltsin disclosed.

That same day the RSFSR leader met with U.S. Secretary of Commerce R. Mosbacher and a group of U.S. businessmen. B.N. Yeltsin also visited the Pentagon—to meet with U.S. Defense Secretary R. Cheney.

At a White House briefing B. Scowcroft, the U.S. President's assistant for national security affairs, commented officially on the talks between G. Bush and B.N. Yeltsin. He stated that the United States will be prepared to cooperate with union republics within the USSR with the consent of the central union government and within the framework of the future Union Treaty. He also noted that the draft Union Treaty that has been prepared envisages the possibility of such contacts.

New York—Russian President Boris Yeltsin believes that he has succeeded in fulfilling the main task which he went to the United States to accomplish: President George Bush has declared that he is prepared to deal with the Soviet Union in two dimensions—with the center and with the republics, primarily Russia.

Talking with a group of Soviet journalists in New York immediately after his arrival from Washington, literally a few hours after his meeting with Bush, B. Yeltsin said: "The most important thing was to convince him that the situation in the country as a result of the sovereignization of the republics is such that the Americans will need to have dealings in foreign policy at a two-tier level, so to speak... and when Bush stated this, it was an initial serious victory." "Yes," the U.S. President declared, "we will certainly have dealings with Gorbachev, but we will also have dealings with Russia."

I asked him to clarify where this was said. The request for clarification was no accident: In their reports after the White House meeting television companies, CBS in particular, stressed that Bush "made no commitments." According to the Russian leader, the statement was made during a conversation which, so far as I can understand, took place one-on-one.

With regard to economic cooperation with the United States, the Russian leader stressed that he does not want "Russia to go cap in hand" but he does want "Russia to be opened up to foreign investors via legislative acts... In June-July a bill on foreign investments will be discussed in the Supreme Soviet, where I hope there will be no Jacksons nor Vaniks and the law will be adopted without amendments."

In conversations with the Americans, as his remarks indicate, Yeltsin specifically discussed the aid that the United States could provide in privatization in Russia. He spoke in particular of the hundreds of thousands of unfinished enterprises that the Americans could complete and supply with sophisticated equipment. The profits from the output of these enterprises would then be split on the basis of 40 percent for them and 60 percent for Russia. According to Yeltsin, this idea went down very well at the meeting at the Department of Commerce.

Summing up the results of his Washington meetings, the Russian president expressed satisfaction with them, especially with the meeting at the White House, where, in his words, "the discussion was very frank and honest."

Addresses Congressional Figures

PM2106125591 Moscow PRAVDA in Russian 21 Jun 91 Second Edition p 4

[Report by correspondent V. Gan: "'I Want Sympathy and Cooperation'"]

[Text] Washington, 20 Jun—"I want sympathy and cooperation"—that was what B.N. Yeltsin, who is in Washington on a working visit at the invitation of the leaders of the U.S. Senate, said today about the aims of his trip here.

Addressing a reception held in his honor by leading figures of Congress, B.N. Yeltsin noted in particular the symbolic nature of his first visit since being elected Russian president being to the United States. Your country, he said, is the birthplace of democracy while our country has been the birthplace of the unitary totalitarian state.

B.N. Yeltsin again repeated that he had not come to the United States to ask for money. At the same time he said: If aid comes via the central or even the republican bureaucracy, one does not know whose hands it will end up in. That is why, if the question of material aid arises, it should be linked with each specific program.

R. Dole, the leader of the Republicans, expressed interest in this matter, saying that "we want to establish more direct contacts with the republics rather than with the central government and I hope you will make this clearly understood to President Bush."

But everything is not that simple. Of course, there can be no doubt that the guest will inform the President of this wish. The problem lies in the position of the White House itself, which has only just openly stated its intention to do business with Gorbachev.

In private conversations administration staffers, asking not to be named, say: Washington wants to try Yeltsin for size, to see what kind of a leader he is, and at the same time to make it clearly understood to him that the White House will do business with the Soviet Union, that there cannot be any question of establishing separate diplomatic relations with the republics. But on the other hand, arguing purely pragmatically, Washington would like to expand collaboration at all levels of Soviet society and in that context Russia could play the role of a very large partner in the future—in economic relations, in various exchanges, and in the broadest range of questions.

In any case it seems to me everything will have hidden implications or to be more precise a price. B.N. Yeltsin said at a reception at the headquarters of the AFI/CIO that "the trade unions must develop independently of state and party structures" and that it is very important to borrow the United States' "rich trade union experience;" when visiting the Lincoln Memorial he said that "Abraham Lincoln was a great man, a symbol of democracy." B.N. Yeltsin received the International Prize for Democracy, awarded him by the American Center for Democracy.

At the presentation ceremony U.S. Vice President D. Quayle said in particular that the administration does not believe it must make a choice between the Union government and the republics, between President Gorbachev and President Yeltsin. We want and need good relations with the Soviet and Russian governments, with President Gorbachev and President Yeltsin, he noted. Our approach will be based on your devotion to reforms. We will be satisfied and inspired by cooperation between President Gorbachev and President Yeltsin on the plane of the advancement of reforms. We also want deeper ties between the Russian and American peoples... But we also want to be frank about our differences."

Ends Visit

LD2206043691 Moscow TASS International Service in Russian 0335 GMT 22 Jun 91

[By correspondents Dmitriy Klimentov and Igor Makurin]

[Excerpts] New York, 22 Jun (TASS)—A working visit by B.N. Yeltsin, chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet, to the United States has come to an end. [passage omitted]

Speaking to professors and lecturers at a major private educational establishment in the country, New York University, B.N. Yeltsin expressed gratitude for the reception and the opportunity to discuss a wide range of issues that are extremely important for Russia's future. He expressed satisfaction with the fact that in the course of his meeting with President Bush an accord was reached for the first time for direct contacts maintained by the United States both with the Russian Federation and with the center of the Union, at the same time. "After the completion of the talks, our delegation was confident that we had been understood," B.N. Yeltsin said.

Prior to his departure for Moscow, B.N. Yeltsin informed journalists assembled at New York's JFK International Airport that "the Federal Reserve Bank system, led by its chairman and a group of experts, is to visit Russia and jointly with our experts will elaborate a reform of the credit, finance, and bank system of the Russian Federation. We spent six hours in Wall Street and all six hours we devoted to these issues."

Report on Purpose of Visit

OW2406113491 Moscow INTERFAX in English 1800 GMT 21 Jun 91

[From "Diplomatic Panorama"—Following item transmitted via KYODO]

[Text] Contrary to reports in some of the media, Boris Yeltsin's visit to the United States is not connected with the presidential elections held in Russia a highly placed Western diplomat asserted. The source pointed out that the invitation to the Russian leader was issued prior to the elections and came from the U.S. Congress. In drawing up the schedule for the visit. The wishes expressed by the guest were taken into account.

The meetings and the talks which Mr. Yeltsin had in the U.S. were informal, with the Americans interested in hearing his views on the economic reforms in the USSR and on the possibility of expanding contacts between the U.S. and the Russian Federation. However, the fact that the Russian leader had a meeting with President George Bush does not mean that Russia is now perceived as an independent state, the diplomat said. He pointed out that "the U.S. president receives people almost every day who are not leaders of independent countries."

On the question of establishing diplomatic relations between Russia and Washington, the diplomatic said that the USSR Ministry of Foreign Affairs should first give consideration to this issue. On the whole, the American side believes it is useful to maintain ties and contacts with all of the union republics, without exception, he added.

Gorbachev, Bush Discuss 'Positive' Relations

LD2106191491 Moscow Central Television First Program Network in Russian 1800 GMT 21 Jun 91

[From the "Vremya" newscast]

[Text] A report has just been brought into the studio that a recent telephone conversation between the presidents of the USSR and the United States took place today. Responding to George Bush's invitation to discuss current issues, Mikhail Sergeyevich Gorbachev first stated that there has been an increase in positive elements in Soviet-U.S. dialogue: solutions have been found to the treaty on conventional weapons; problems in the preparation of the treaty on strategic offensive weapons have been reduced to a minimum; the U.S. President has adopted a decision on guarantees on food credit for the USSR. The USSR foreign minister and the U.S. secretary of state are cooperating systematically and fruitfully. Over these years Mikhail Sergeyevich Gorbachev said, we have together created things of great value in relations between the two countries which also places great responsibility on us. George Bush agreed with this conclusion.

The U.S. President enquired how things are progressing in the USSR, what problems are currently most acute and difficult, and what solutions are near at hand.

Mikhail Sergeyevich Gorbachev shared his appraisal of the situation, having drawn attention to the strengthening of tendencies toward social accord and constructive cooperation. The development of optimal relations between legislative and executive powers, betwen Union and republican bodies, is the same as in society as a whole. In this context George Bush spoke about his impressions of his conversations with Boris Nikolayevich Yeltsin who, as is well- known, is in the United States of America on a working visit.

Mikhail Sergeyevich Gorbachev and George Bush spoke about the forthcoming G-7 meeting in London. The USSR president noted that he is attaching great significance to this meeting, is making preparations, is consulting representatives of the republics and specialists and is counting on a fruitful dialogue with the leaders of the Seven and on aiding the development of a new type of international cooperation. The presidents agreed—well, it is pleasant to note this—to maintain regular contact, especially during a period of such intensive international activity.

Hope Expressed for Soviet-U.S. Summit

LD2206160191 Moscow Radio Moscow World Service in English 1210 GMT 22 Jun 91

[Text] The outcome of the Berlin meeting between Soviet Foreign Minister Aleksandr Bessmertnykh and U.S Secretary of State James Baker has driven some news analysts to pessimism regarding prospects for a new Soviet-U.S. summit. Since the Berlin meeting failed to iron out differences regarding the draft treaty on a reduction of strategic offensive weapons, no date was specified for a meeting between the Soviet and U.S. presidents.

Aleksandr Pogodin, however, refuses to share his colleagues' pessimism. He argues that no one did expect Bessmertnykh and Baker would be able to settle the technicalities in a mere two and a half hours. In general terms, the two ministers pointed out substantial headway had been made in the solution of the outstanding problems, and the final solution could be found in a matter of several weeks.

It is up to experts to arrive at an acceptable solution. Analysts say agreement had already been reached on 96 to 98 percent of the provisions of the treaty and Presidents Gorbachev and Bush had already agreed in principle that next week top Soviet and U.S. experts would meet to discuss the remaining 2 to 4 percent. Mr. Bessmertnykh and Mr. Baker agreed on the details of that meeting.

Moscow and Washington are equally convinced agreement on a crucial issue in bilateral and world relations that must precede a new meeting between their leader. Obviously it is unfeasible to schedule the summit for the last days of this month, but the two presidents have left a free space in their working schedules for late next month, when experts have hopefully been able to disentangle the remaining knots in the fabric of START treaty and the big seven have met with the Soviet president in London. Hope remains that a new summit will move the Soviet Union and the United States one step further on the road from confrontation to understanding and sometimes partnership.

Officials Working '16 Hours a Day' on Treaty

OW2106060891 Moscow INTERFAX in English 1500 GMT 20 Jun 91

[From 'Diplomatic Panorama'—"Soviet Foreign Ministry Expert on Strategic Offensive Arsenals: We Work 16 Hours a Day by diplomatic correspondent M. Mayorov." —INTERFAX Headline—Following item transmitted via KYODO]

[Text] As DP's [Diplomatic Panorama] correspondent has learned over the telephone from the presidential press service and diplomats at the USSR Foreign Ministry, the date of the Gorbachev-Bush summit in Moscow will depend on progress in the talks on the strategic offensive weapons treaty and on coordinating the extremely busy working schedules of the two presidents.

One of the Foreign Ministry experts said the negotiating parties were actively looking for effective solutions to the disputable treaty related problems. Mr. Gorbachev's recent message to Mr. Bush, which the American President described as "very important", contained a package of compromise proposals. An additional group of Soviet military experts arrived in Geneva on Wednesday to deal with the specific question of telemetric information transfer within the framework of the treaty.

Officials in charge of preparations for the U.S. Soviet summit in Moscow find the present situation favorable for concluding the treaty's drafting at an early date. A Foreign Ministry expert involved in this work said: "We work 16 hours a day."

Interview on Prospects for Western Aid

91UF0881A Moscow SOVETSKAYA KULTURA in Russian No 24, 15 Jun 91 p 3

[Interview with Professor A.V. Orlov, first deputy chairman of the Committee for Assisting Small Enterprises and Entrepreneurship of the USSR Cabinet of Ministers and doctor of economic sciences, by Leonid Galinskiy; place and date not given: "Will the West Rescue Us? 'Marshall Plan' for the USSR—a Utopia or a Reality?"]

[Text] **Today, we publish an interview with Professor Andrey Vladimirovich Orlov, first deputy chairman of the Committee for Assisting Small Enterprises and Entrepreneurship of the USSR Cabinet of Ministers and doctor of economic sciences, which is a sequel to our discussion with him last year. The interview published in SOVETSKAYA KULTURA on 13 October 1990 caused certain interest in the West, in particular, in the United States. Thus, on the suggestion of Congressman Downey, it was discussed by American legislators, and in April of this year, a rendition of this interview was published by their authoritative journal. We are offering yet another interview to the attention of our readers:**

[Galinskiy] Andrey Vladimirovich, your interview, published in our newspaper in October 1990, ended in the following words: "The main point is to keep hope alive." At issue was the potential our economy had to prevent its ending up in an abyss. Eight months have passed, and it appears that, unfortunately, we have not avoided the abyss. There is no need to recall how difficult the situation is in which the country finds itself. What has happened? Why did we end up in the quagmire of catastrophic phenomena within such a short period of time? After all, as late as this fall, it appeared to many people, even non-specialists, that there was a way out of the grave impasse.

[Orlov] Indeed, in the fall of 1990 the situation appeared calmer, and it was difficult to predict the decline which began in December and is still under way. Incidentally, my prediction as of the end of last year was also more optimistic. Why did the situation turn out to be considerably worse? First of all, because crisis phenomena have become abruptly more pronounced since November. The disorganization of economic ties and basic industries—oil, coal, gas, and machine building—mounted, and as a result, output froze, and subsequently declined. The strike movement has turned out to be more intense than could have been expected, and this is to say nothing about interethnic problems.

From among other very serious reasons, I would distinguish the abruptly deteriorating solvency of our country, which has entailed a perceptible reduction in the import of raw materials for light industry and consumer goods. In this context, we may refer to the actual disintegration of CEMA within the framework of which stable cooperation ties were structured in quite a number of our industries, especially in the chemical and light industries.

Summing it up, the intensity of political passions, the disintegration of economic ties, mounting inflation, a decline in production discipline, strikes, interethnic conflicts, reorganizations of the structure of management, the decay of interrepublic relations, the deformation of the CEMA, insolvency, a psychosis in our society, panic buying, and universal shortages are the factors that have combined to catastrophically exacerbate the situation.

One more point to consider. We embarked long ago on a period of a serious disease the name of which is known—a deep crisis in combination with depression in our society. This is a crisis of an historic nature, a crisis of the political system, of ideology, an economic crisis pushed back by more than a decade, a necessary structural change which developed and developing countries have undergone. Finally, this is our payment for the unaccomplished "green revolution," guaranteeing the supply of foodstuffs for the country. There is a crisis in agriculture, in the spiritual sphere, and even a crisis of the family.

We cannot fail to mention crises of a trend-driven, foreign-economic nature. Petrodollars, with which we previously bought equipment and goods alike, patching up our internal holes and creating an appearance of welfare, have run out. All of these phenomena have occurred against the background of reckless pluralism and democracy "Russian style" in which, of course, our traditional pendulum variant was a factor.

We have found ourselves in a considerably more difficult situation than was expected. However, as I see it, we are still not past its lowest point. A drop in the volume of production, soaring inflation, and social shocks will still stalk us. From this point of view, I would distinguish the April political crisis.

[Galinskiy] Is a repetition of something similar possible?

[Orlov] Unfortunately, it is. According to projections, most likely in October and November.

[Galinskiy] You named the "Marshall Plan" for the USSR as a realistic program capable of stabilizing our economy, which is gravely ill. You also referred to a possible mechanism for its application. As far as I know, a group of specialists simultaneously prepared a draft presidential ukase on merchandise intervention, last fall. This had to do with carrying out a large-scale action of aid to the Soviet Union similar to the one on which the Marshall Plan for Europe was based in the initial postwar years. What prevented the implementation of the ukase at the time?

[Orlov] Indeed, merchandise intervention was envisaged within the framework of the "500 Days" program, as well as some alternative programs for a transition to a market economy, as a prerequisite for this movement, to be sure, at various speeds. What was this about?

First, it was the mobilization of internal resources and reserves, including equipment not installed, poorly used raw and other materials, production wastes, a certain segment of army uniforms. We had to take into account our natural inclination to accumulate abnormal stocks of consumer goods within households due to the lack of faith in the authorities, continuous supply disruptions, and the "hungry eyes syndrome" which has developed. However, even then calculations indicated that the situation in the consumer market would not be improved by using our own reserves only: It was necessary to organize a massive, powerful inflow of consumer staples from abroad within the framework of merchandise intervention.

This could have been direct aid by international organizations and individual countries, and various types of credits and loans. The international community adopted a wait-and-see stance with regard to the development of our situation as far as support for a large-scale merchandise intervention was concerned. To be sure, humanitarian aid over the winter from the FRG and a number of other countries helped substantially the dispossessed groups of our population—the disabled, retirees, the sick, and families with many children. In all fairness, we should bow to those who accomplished this noble endeavor, despite the fact that for many of us this was a certain affront to our self-respect and our pride in our great superpower.

However, the merchandise intervention presupposed that we would receive consumer staples, and medicines for between $8 and $10 billion under the minimal scenario, between $10 and $15 billion under the medium scenario, and between $20 and $25 billion in the high scenario.

Alas, this did not transpire. This was due not only to quite a number of political situations—let us recall the response of the world community and international organizations to the January events in Lithuania, an evaluation of the main directives for stabilization and a transition to a market economy, which were ultimately adopted as the alternative to the "500 Days" program, by experts from the IMF and the World Bank for Reconstruction and Development. This evaluation was extremely reserved. However, let us be objective: We were not ready to accommodate a massive merchandise intervention anyway because of "blood clots" in our system of distribution, unreadiness of transportation, wholesale trade, warehouses, and actually because the details of what may be called "the Marshall Plan" were not clearly set forth.

If you recall, in our discussion in October of last year, we defined the structures, measures, and the sequence of actions which would be necessary in order to implement what many publications now describe as "the Marshall Plan" for the USSR. I believe that, at the time, the government lacked the political will. Of course, at present, almost half a year later, we have, to a degree, lost our pace, having come back to a good idea. We are having to begin without a serious prior study, if not from scratch. Nonetheless, I am happy about the keen perception displayed, in particular, by Grigoriy Yavlinskiy and his team by being able to take advantage of favorable tendencies toward the political consolidation of the republics, which emerged in late April and early May, and the appreciation of these tendencies in the West.

[Galinskiy] Recently, I returned from the United States. I got the impression from my discussions with major businessmen, well-known economists, representatives of the federal government, senators, and congressmen that, on the one hand, Western countries appreciate "Gorbachev's problems," while on the other, they are in no hurry to give us considerable assistance and proceed toward vigorous cooperation, and mutually advantageous cooperation at that, on the basis of genuine partnership. In particular, various conditions are stated on which such aid would be provided. This is to say nothing about the range of opinions on this on the pages of the American, British, Japanese, and French press. These opinions are at times diametrically opposed—from appeals to support perestroyka, to incantations—do not do this by any means. Meanwhile, time is short...

[Orlov] Indeed, time is short if we weigh preparations for "the deal of the century" for five years on the scales of history and of our situation. I believe that, at present, days, weeks, and months matter. This is why the joint action program of the USSR Cabinet of Ministers and the governments of sovereign republics on overcoming the crisis in the country in the environment of a transition to a market economy has now been put, so to say, on the altar both inside the country and abroad, meaning the attitude of international organizations and the countries of the "Group of Seven" toward our problems. After all, it is not our outstretched hand that is the point here, but rather increasing openness, and mutual—I stress, mutual—striving to cooperate with one another. I must say that recently the West has sort of seen the light, and has been discovering a new perception of the Soviet Union, of its problems, aspirations, and expectations... Meanwhile, shock treatment is already in operation here.

There are things to consider in this matter: a switch to a new life at new prices in April added merely microscopic amounts of goods on the shelves, but reduced the standard of living of a majority of the population of our country by 50 to 60 percent. Naturally, this gives no impetus to involvement in business, the economy, and production...

A new, purely market-oriented category of members of our society, the entrepreneurs, are thinking hard. I will note that this nonstate sector—lessees, entrepreneurs, farmers, employees of joint enterprises, new cooperatives, and private operators—is already responsible for between 15 and 17 percent of the gross national product. Incidentally, whichever way we count, between 55 and 60 million people are employed in this sector, and more than 200 billion rubles-worth of various goods and services is generated—still in 1990 prices. This is the only sector in our country to avoid a decline in 1990 and 1991 and even register a small increment. This is a sector of small- and medium-size businesses which has retained labor and resources even under crisis conditions in order to survive in our "swamp."

[Galinskiy] It is not a secret for anyone that we ourselves, in the Soviet Union, swing the pendulum of hesitation with regard to prospective investors and creditors of ours. You would agree that political instability, interethnic conflicts, corrupt structures, confusion and hesitation in society do not promote confidence in Moscow. Under the circumstances, can the governments of the United States and other developed countries "turn a blind eye" to these unfavorable processes so that their support will become immediate and extensive?

[Orlov] It is no accident that I called the situation in which we find ourselves "a swamp." The process of being sucked in by the quagmire of the crisis is still under way. This is facilitated by political games played by various groups which are concerned, above all, about their own ambitions and the power struggle. However, time is short; we need dynamics for overcoming the crisis completely different from the ones which were capable of hindering destructive processes last year. Obviously, within these dynamics we cannot do without a large-scale injection of foreign capital in various appropriate forms. This is why it is so important that the forthcoming meeting in London, and the possible participation of our president in it, be carefully prepared. We may ask—why does the West need all of this? This has to do with the fact that the disintegration of the Union would entail unpredictable consequences. This is why serious strategists in the West, rather than essayist-tacticians, to a certain degree turn a blind eye to our temporary domestic confusion and the negative processes we are encountering. Sober-minded politicians are aware that there is no alternative to perestroyka in the Soviet Union, that this is an irreversible process, and that a failure, should it occur, would have quite painful repercussions for the world community as well.

[Galinskiy] American observers, and not just they, invariably stress the difficult position of the USSR president when they discuss our hardship. In their opinion, Gorbachev is having to continuously balance the left and the right; he is being criticized, and attempts are made to pressure him from both sides; it is not easy for him to stay the course. For now, merely the possibility of Western aid to the Soviet Union is being discussed, but voices have already been heard to the effect that the president is prepared to make the country economically dependent in exchange for dollars.

Do you think that the terms of aid which the West is offering threaten to enslave the USSR? Putting this question in broader terms, how long will the president stay on? After all, the economic support, which may be predicted, will be provided primarily "on account of Gorbachev."

[Orlov] No, I do not think so. I am sure that the president is not merely thinking about a different condition of our great country as independent, powerful, and, most importantly, a country which has shed the shackles of what is unnecessary, what interferes with its movement, a country which is making a full-fledged entry into the 21st century. However, the terms of the "great bargain" should be carefully studied and analyzed, as well as every major decision, be it an agreement on the Tengiz oil field, immediate credits to purchase agricultural products in the United States, or the provision of appropriate preferences in order to eliminate our insolvency, in order to stop the ruin of small- and medium-size companies operating in the Soviet market, or finally, the prospective large projects associated with setting up free-trade zones in, for example, Nakhodka and other areas of our country.

The point of view that we are of interest only on account of cheap labor and our raw material potential is being voiced quite frequently. It is necessary to dispel this misconception. We have a tremendous scientific-technical potential of a high, world-class standard, especially in the military-industrial complex; we have strong sectors in basic and applied research; we have outstanding strong intellectual and spiritual potential, a huge territory, a wonderful land, and a remarkable people. All of this should be put to use properly.

I believe that this is precisely the main concern of our president, and all who are on the same team with him.

How long will Gorbachev hold on? Recently, I was asked this question in Washington. What structures support him? How will the army and other "heavy" structures behave? All of these are very difficult questions. I believe in Gorbachev the politician, but I foresee a difficult period in October and November in view of the possible crop and the possible development of the political situation. However, it would be a mistake to associate aid to the Soviet Union only with Gorbachev. The authority of his policy in the West and throughout the world remains very strong; of course, at issue is support for profound reforms in our country. All of us should shoulder the burden of this process. In this instance, I am very much a believer in serious entrepreneurship, small or large, in people accomplishing genuine endeavors, rather than cheap politicians who "tear their own shirts." Reforms are the wisdom of the future, rather than of the current self-seeking of the nouveau riche and latter-day NEP[New Economic Policy]-men. If Gorbachev, along with the heads of the Union republics signing the Union Treaty, and all of those who serve this movement faithfully and honestly, continue to personify reforms, may this support be in the name of Gorbachev as well!

[Galinskiy] In a majority of developed countries, with which the USSR maintains ties of long duration, the impression has emerged that our country is continuously insolvent. We owe, not only to governments, but also to companies, corporations, and banks. What is a way out?

[Orlov] We do owe, but we owe the most to our own people. Our internal state debt is colossal—almost 500 billion rubles [R], and it keeps growing. Everything in this matter is interconnected. If we begin to work normally, if business activity in the country picks up (this is possible if store shelves are filled with merchandise), if we overcome the decline, if we expand exports, primarily of oil, gas, coal, and products of machine building, i.e., precisely the goods which have now been reduced in volume of output—international banks will begin to treat us differently.

This is the main point. We should create normal, civilized conditions for foreign investors. The fundamentals are already available to this end: An appropriate law and other legal norms have already been prepared. Finally, if we receive between $3 and $5 billion in order to settle conflicts with companies which operate in our market, the situation will become favorable to us in the immediate future. Of course, we would like to have at least a small segment of our debt forgiven, as was the case with Poland. This may be too bold a thought of mine. Could this be nonsense? However, there is one, principal way out—to overcome chaos and disintegration as soon as possible, and to begin an ascent in the economy and in society. Given a favorable turn of events, this may happen as early as the end of this year, but most likely next year.

[Galinskiy] Therefore, the "Marshall Plan" for the USSR—is it a reality or a utopia? If it is realistic, then in what form and amount do we need such aid? After all, in the West they quote various amounts of credits.

[Orlov] I am certain that it is a reality, but as far as the volume, or the amounts of credit are concerned, they are a subject of careful analysis rather than a reflection of appetites. I believe that the quoted amount of between $150 and S200 billion is, of course, weighty, but it does not proceed from our country. The amount should be substantiated with precision. Calculations of the amounts, whatever they might be, are subject to coordination by the leaders of the Union republics because loans and direct foreign investment will be provided for specific projects, taking the interests of sovereign republics into account. However, I think that the amounts are not the point but rather the principle, and arrangements for cooperation.

[Galinskiy] Now that an unprecedented crime wave prevails in the country, what guarantee is there that the system of distribution will work, and that goods and money will not end in the bottomless pit of the shadow economy?

[Orlov] This is a special set of issues. We will need to set up a special federal service for blocking the shadow economy and to develop special programs, but we need to separate the white from the black, and the white from the gray in this instance—separate the criminal economy, the black market, the drug trade, foreign exchange operations, prostitution, and trade in weapons from the elements of the shadow economy which may be legalized for the benefit of the national economy.

I will take the liberty of painting a more complete picture: According to government data, the turnover of the shadow economy amounted last year to about R170 billion (in 1990 prices). "Black markets" trading in foreign exchange, precious metals, real estate, and drugs are in operation in our country, as well as an underground gaming business. Research by political scientists and sociologists indicates that the armed criminal underworld already numbers approximately 2 million people. Taking into account the milieu of "family and friends," the first "zone of influence" includes approximately between 8 to 10 million, and the zone of involvement includes considerably more. Despite the fact that the arrogant criminal underworld is combated, this has not yielded perceptible results so far. Besides, this difficult problem will not be solved by administrative measures alone. A program of actions for blocking and flexibly regulating the "shadow" economy is being worked out at present. In particular, one of the programs envisages the creation of a legal basis in order to legalize forms of the "shadow" economy which may be transferred into the sphere of regular market relations. At issue are the adopted law on the fundamentals of entrepreneurship, denationalization and privatization, demonopolization, foreign exchange regulation, and consumer protection. It appears to me that it is necessary to eliminate from the Criminal and Civil Codes articles and norms which hinder free entrepreneurship. A repeal of all restrictions on the operation of commercial and procurement cooperatives, the creation of exchange offices, the holding of regular hard-currency auctions, and so on, are among the measures planned. The role of the control apparatus and of tax, finance, and auditing services should grow in this environment of movement toward a market economy.

[Galinskiy] Who will be entrusted with all this work?

[Orlov] The implementation of such measures is possible within the framework of Union and republic programs, which are, naturally, coordinated. At present, measures to suppress our domestic underworld and protect the people against tyranny are being studied. As I see it, all of this fits within the framework of legal transformations which are unavoidable under market relations. As far as "the bottomless pit" of "the shadow economy" is concerned, I believe that our society will succeed in the very near future in shutting off its channels. It cannot be done any other way.

[Galinskiy] What time limit is available to the country and to its leader? In the parlance of chess players, we are already having acute time trouble, and the flag is about to fall any moment. In our opinion, how will events develop if aid to which we attach our hopes is late after all?

[Orlov] We should count on aid, but we should also attach hopes to our own endeavors. I will try to "sketch" several scenarios of the possible development of events. First: A decline in production will continue, in combination with a poor crop; the process of consolidation will be disrupted; interethnic conflicts will continue to exacerbate; the Union treaty will not be signed. In this case, an explosion will be possible in October or November. What will come after this explosion? Continuing chaos, a dictatorship, and the winding down of democracy. We can take this reasoning further. Clearly, this development of events is not in the interest of the "Group of Seven." However, it is quite possible. This is why a substantial segment of aid should be guaranteed to avert this state of affairs. It will be difficult for this aid to materialize as soon as possible in the form of goods only. However, the guarantee of this aid will facilitate the lessening of tensions.

Second scenario: It is built into the anticrisis program itself. I would like it to be the most probable. Changes for the better, albeit insignificant, but easy for the people to understand, will appear under this scenario as early as the fall. The shelves of stores will no longer resemble pool tables; prices for certain goods will stabilize. Political consolidation will proceed, because the Union treaty will be signed. Conversion, housing construction, and entrepreneurship will be invigorated. The entire political climate will become healthier.

We may say with certainty that under this scenario, even taking risk into account, aid may be more significant and long-term, unlike the first scenario under which aid will turn out to be short-term, on a trial basis. I think that this very scenario was under consideration during a trip to the United States by Ye. Primakov and V. Shcherbakov.

I would not like to talk about the third, cheerfully optimistic scenario. I am a realist. I prefer to proceed from the second scenario.

[Galinskiy] From time to time, warnings are issued on the pages of some domestic publications: The danger is from the right; a dictatorship is unavoidable; conservative generals are capable of toppling legal power in the center and in the provinces. There is a substantiation for this threat: A radical reform, they say, will painfully affect the military-industrial complex as well. Do you believe that there is such a danger?

[Orlov] Of course, there is danger from the right, and danger from the left. There are the generals, and we saw their position during the election campaign of candidates for president of Russia. All of us can pass judgment on these views, and decide how close to, or far from, ours these positions are.

The reform strikes a blow at the military-industrial complex. It is a fact, and we should reckon with it. This complex has always lived by noneconomic laws; everybody else operated "among shortages," but the military-industrial complex had what it needed. There was more order, or at least an appearance of order, in this complex. The social, cultural, and service sphere in this complex is well-established. They have no dearth of "clever guys," and the availability of housing and foodstuffs used to be better. It is the other way around now; disorganization has also affected them. Many people ran off to cooperatives and joint enterprises because of good salaries. Violations of strict technology and strict discipline began. This is for real. This is why I associate the disposition of the leaders of the military-industrial complex with the rejection of shock treatment, of a rapid transition to a market economy. There is a certain danger in this reaction. However, there are many sober-minded people among the managers of this complex who understand that it is, of course, unbecoming, especially for a superpower, to put up with us falling behind, including in the military sphere (in which we led in a number of sectors, for example, in space). After all, despite everything, we remain a superpower, and due to this we continue to be respected and reckoned with. This is undoubtedly a credit to the military-industrial complex and the scientific- technical potential it has created.

I am convinced that, given a profoundly elaborated program for conversion, there will be a most powerful structural turnaround which, in combination with our spiritual cleansing, is capable of bringing us to the ranks of civilized countries, like "the green revolution," a profound agrarian reform. It is a pleasure for me to say here that I know young and talented scientists from this complex, for example, Andrey Zheleznov. He was able to assemble around himself a team that prepared a program for a regulated transition to the market with a peculiar vision from the "entrails" of this complex. I believe in these 30-year-old, strong, "tough" technocrats who can work together with economists, political scientists, sociologists, and military men on the strategy of how we overcome the crisis. It is even more interesting for me to relate this because on 8 May the president and the chairman of the Supreme Soviet received this team for three hours. To be sure, they took issue with the thoughts of Andrey Zheleznov and his colleagues, but at the same time they supported this quest with interest.

[Galinskiy] Allow me to wrap up our conversation with the following question. Of course, we should not diminish the significance of support as ample as the support, the possibility of which is now being discussed in the West. However, we should not exaggerate it either. There is a reason for this folk maxim: God helps those who help themselves. As Prime Minister V. Pavlov has stated many times, the government now has a program for overcoming the protracted crisis. How substantiated is it from the point of view of our domestic potential?

[Orlov] Of course, no program is a cure-all for all our troubles. However, it is a fact that this is a consolidating document. It was supported by the leaders of the governments of a majority of Union republics. This is the logic of its outcome. The document is not the main point; actions, a system of consistent measures, and the conviction that we should get out of this "swamp" only together, only by supporting each other, are of the essence.

Report on Republics' Inclusion in Aid Bill

PM2406085391 Moscow IZVESTIYA in Russian 21 Jun 91 Union Edition p 4

[TASS report: "United States: Bill for Foreign Aid in Fiscal 1992"]

[Text] Washington, 20 Jun—The U.S. House of Representatives approved a bill for foreign aid in Fiscal 1992, which begins 1 October this year, on Wednesday evening by 301 votes to 102. It envisages earmarking $15.3 billion for U.S. economic and military aid programs to other countries.

This is the first time that this kind of bill has included an article on the granting of aid to the Soviet Union. According to this article the United States is to offer "technical assistance" directly to the governments of the Union republics, primarily the Baltic republics, and various democratic organizations.

At the same time the House of Representatives adopted an amendment to the bill by 374 votes to 41 banning the sending of U.S. aid to the central Soviet Government. However, the operation of the amendment could be suspended if the U.S. President gives the Congress guarantees that the USSR Government has made significant progress in defending human rights, implementing reforms with a view to creating a market economy, and cutting military spending.

RSFSR to Have Counsellor at Embassy

LD2306140391 Moscow Radio Rossii Network in Russian 1300 GMT 23 Jun 91

[Text] In a conversation with a correspondent of the Russian news agency Andrey Kozyrev, Russian Soviet Federated Socialist Republic foreign minister, said that Russia is to be represented by a counsellor at the USSR

Embassy in the United States and is to have its representative at the Soviet UN mission.

Kozyrev also said that during Yeltsin's visit to the United States matters relating to security in the broadest sense were touched upon. The issue of reducing military expenditure on both sides was considered and the question of conversion was touched upon. Russia is thus, Andrey Kozyrev considers, becoming a partner in the dismantlement of all those forms of armaments that are still pressurizing both sides and which are for us an excessive and inexplicable burden in our difficult situation.

The Russian foreign minister also noted that in the course of his conversation with U.S. Defense Secretary Richard Cheney, Boris Yeltsin stressed that each country, including the Soviet Union, should have a high-quality and combat-capable army but in line with practical requirements. Issues relating to the social protection of servicemen and the place of the military in a civil democratic society were also touched upon in the conversation with Cheney.

Comment on U.S. Naval Presence in Baltic

PM2106114191 Moscow KRASNAYA ZVEZDA in Russian 20 Jun 91 First Edition p 3

[Article by Captain First Rank S. Pakatin: "To Whom Is the United States 'Showing the Flag' in the Baltic?"]

[Text] For many years now the United States and a number of other NATO countries have been stubbornly turning down Soviet proposals to reduce naval arms. And the main reason here is evidently the fact that, despite positive changes in the world, for many Western leaders military might is still an effective means of international communication.

Like no other branch of the armed forces, the navy can be used for these purposes in peacetime too. In accordance with the so-called U.S. "forward sea strategy," U.S. ships "show the flag" in very remote areas, in crisis "spots," close to the territorial waters of other countries. In peacetime ships of the U.S. Navy are deployed on a permanent basis far from their own territory in all the main areas of the world ocean.

The increasing role of naval forces under modern conditions is also confirmed by the experience of their involvement in the combat operations in the Persian Gulf during the Iraqi-Kuwaiti conflict. They showed themselves to be the most universal and mobile branch of the armed forces, capable of resolving a wide range of tasks at sea, on the land, and in the air.

The permanent presence of ships of the U.S. Navy in the Mediterranean and the Black Sea and their periodic visits to the Baltic have become commonplace. Thus, a detachment of U.S. Navy warships has been in the Baltic since 11 June this year. It includes the guided missile cruiser H.E. Yarnell, the guided missile frigate J. Hall, and the frigate Connole. Despite the fact that the guided missile cruiser H.E. Yarnell and the frigate Connole were commissioned into the Atlantic Fleet in the sixties, they have been modernized and equipped with the latest weapons and electronic facilities. Incidentally, this is not the first time the guided missile cruiser H.E. Yarnell has been in the Baltic. It spent three weeks there at the head of a detachment of U.S. Navy ships in June 1990.

What are the U.S. ships doing and what will they do in the Baltic? After fulfilling representational functions—visiting Stockholm and Helsinki—the detachment of ships is starting to tackle the main tasks: participation in comprehensive joint combat training with ships of the FRG and Danish Navies, reconnaissance, and familiarization with the theater of military operations. On the completion of the joint exercises the U.S. ships will put into Kiel, the chief FRG naval base on the Baltic, where they will participate from 23 through 28 June in the annual FRG Navy Days.

As can be seen, the considerable changes in the international situation and the strengthening of the climate of trust on the planet have not yet, by all accounts, altered the course of strong-arm politics and the demonstration of military might which the U.S. Navy is continuing to follow today.

China

PRC Briefing, Polozkov Visit Reported

OW2106111891 Moscow Radio Moscow in Mandarin 2200 GMT 20 Jun 91

[From the "Current Events and Commentaries" program]

[Text] Our Beijing-based station reporter (Paboyang) was present at a news briefing for Chinese and foreign reporters. He reported that Wu Jianmin, director of the Information Department of the Chinese Ministry of Foreign Affairs, announced at the press briefing that Li Peng, premier of the Chinese State Council will be visiting Egypt, Jordan, Iran, Saudi Arabia, Syria, and Kuwait from 2 to 14 July. Wu Jianmin asserted that the premier will be visiting these countries at the invitation of their leaders. China maintains fairly good relations with these countries. The purpose of this coming visit is to improve mutual understanding, promote friendly relations, and strengthen bilateral cooperation. The head of the Chinese Government will discuss the current international situation with the leaders of the six countries, and in particular, issues related to the Middle East and Persian Gulf situation.

In his reply to questions from journalists, the spokesman of the Chinese Ministry of Foreign Affairs reiterated China's well-known position on the sales of arms. Wu Jianmin said: China adopts a prudent and responsible attitude on this issue and respects the relevant international principles. For example, China has supplied conventional arms to Pakistan, including a small number of short-range missiles. The spokesman pointed out that as far as Syria is concerned, China has not supplied any arms to that country. China sold medium-range missiles to Saudi Arabia only.

The director of the Information Department of the Chinese Ministry of Foreign Affairs also declared that, at the invitation of the Japanese foreign minister, Chinese Foreign Minister Qian Qichen will pay an official visit to Japan from 25 to 28 June.

The spokesman also replied to relevant questions concerning the ongoing visit to China by the Soviet party delegation led by Ivan Polozkov, first secretary of the Russian Soviet Federated Republic Communist Party, Wu Jianmin said: This visit is taking place within the framework of normal exchanges between the CPSU and CPC. In the future, China also plans to expand the good-neighborly relationship and all-round cooperation with the Soviet Union on the basis of the five principles of peaceful co-existence.

Consular Official on Sino-Soviet Relations

OW2306035891 Moscow Radio Moscow in Mandarin 1000 GMT 22 Jun 91

[Interview with Khalevinskiy, chief of the First Consular Section of the Consular Administration of the Soviet Foreign Ministry by unidentified station reporter; date and place not given—from the "Taking the Road of Friendship and Cooperation" program]

[Text] A consultative meeting on consular questions was held in Moscow last week by consular section delegations of the Chinese and Soviet consular departments. Our station reporter interviewed Khalevinskiy, head of the Soviet delegation and chief of the First Section of the Consular Administration under the Soviet Foreign Affairs Ministry.

Khalevinskiy said: At the meeting we discussed the prospects for further cooperation between the consular departments. Just as before, the meeting proceeded in an atmosphere of sincerity and mutual understanding. Over the past few years, Soviet-Chinese relations have made considerable progress in all spheres. This has naturally called for consular departments to carry out new tasks. This is because no ties or contacts can do without good consular services. Therefore, what was taken most seriously at the meeting, were the aspirations of both sides to try in every possible way to coordinate in further developing Soviet-Chinese ties. We also exchanged views with our Chinese counterparts on the implementation of the existing consular treaties and discussed the question of the conditions of overseas Soviets residing in China and Overseas Chinese residing in the Soviet Union.

Khalevinskiy continued: At present, we believe that strengthening legal contacts is of special significance. As we all know, not long ago we signed a visa-free travel and tourism agreement. Today, organized travel and tourist groups need not go through visa application formalities, thus greatly promoting tourist exchanges between the two countries. At this meeting, both sides expressed the wish to sign auxiliary treaties on civil affairs, familial affairs, and criminal laws, and an agreement on simplifying entry and exit formalities for residents in border areas. The agreement can not only benefit nationalities who are ethnically and culturally close to each other and who reside on both sides of the border, but also promote the expansion and development of trade and other activities in border areas. In addition, Khalevinskiy said the meeting offered both sides an opportunity to learn from each other's experience.

Khalevinskiy also noted: The Chinese side has taken a great interest in the Soviet entry and exit law approved not long ago and enacted entirely in accordance with international standards. We attach great importance to our Chinese counterparts' work experience in winning over the Overseas Chinese. It goes without saying that China has very successfully and effectively made good use of the trade, cultural, and financial potentials of the Overseas Chinese. Currently, we have adopted many measures to extensively win over our compatriots residing overseas. We will continue to learn from China's experience in this area.

Khalevinskiy concluded: The meeting with our Chinese counterparts has been beneficial. In the future we will hold more meetings to study and explore together.

Logistics General on Soviet-Chinese Military Ties

OW2106111491 Moscow Radio Moscow in Mandarin 1000 GMT 20 Jun 91

[Text] A Soviet military delegation arrived in Beijing for an official visit. On the eve of the delegation's departure from Moscow, station reporter (Kosnov) interviewed General Arkhipov, head of the delegation and chief of the Rear Services of the armed forces of the Soviet Union.

General Arkhipov said: At present, ties and contacts between the armed forces of the Soviet Union and the People's Liberation Army [PLA] of China have become clearer and more specific as new substance is added to such ties and contacts, especially after the meetings between the defense ministers of our two countries took place in Beijing and Moscow. The visit to China made by a delegation of the Rear Services of the Soviet troops this time bears out the above point once again. General Arkhipov said: I believe the meetings to be held in China will give new impetus to cooperation between the two sides.

Station reporter asked: What specific plans of military cooperation will be discussed during your visit?

Arkhipov replied: It is still premature to discuss any specific plan at present. First of all, we plan to continue to exchange our experiences in protection and maintenance of logistics for the military and discuss areas of possible continued cooperation. In addition, we plan to brief our Chinese counterparts on the current situation of army building in the Soviet Union. General Arkhipov said: As is known to everyone, we have already accepted new military theory, cut our military budget, and implemented organizational reform. However, big changes will still occur in the future. Our country is going to enter a period of transition to the market economy. It will also mark a drastic change for the armed forces, including the logistics departments.

In conclusion, Arkhipov said: I believe exchange of experience with our Chinese counterparts will be very meaningful.

CPC's Anniversary Conference Opens in Moscow

PM2006140591 Moscow PRAVDA in Russian 19 Jun 91 Second Edition p 4

[TASS report: "Devoted to the CPC"]

[Text] A conference devoted to the CPC's 70th anniversary opened in Moscow 18 June.

It was noted with satisfaction at the conference that the meetings M.S. Gorbachev had with Deng Xiaoping in Beijing and with Jiang Zemin in Moscow laid the foundation for new constructive relations between the two countries' parties and peoples. The dynamic and steady development of the Chinese economy, and the strengthening of Soviet-PRC ties in the economy, science, and culture, via state and party channels, and between production collectives and social organizations were welcomed. It was stressed that the Soviet Union is following China's successes with immense attention and interest.

The conference was organized by the CPSU Central Committee Academy of Social Sciences, the Soviet-Chinese Friendship Society, and the USSR Academy of Sciences' Far East Institute. A delegation from the Chinese Academy of Social Sciences and the CPC Central Committee Central Party School headed by its prorector, Su Xing, took part in it.

The conference will last for two days.

Northeast Asia

DPRK Participation in Nuclear Research Noted

SK2106100191 Moscow Radio Moscow in Korean 1330 GMT 20 Jun 91

[Talk by station reporter (Benyamin Shuvanev) from "Various Aspects of Cooperation" program—first three grafs are announcer's introduction]

[Text] Dubna, 130 km from the Soviet capital, is well known to many countries. It is known as the city of peaceful atomic energy. A joint nuclear research institute is located in this city. Physicists from East European countries, Cuba, and a series of Asian countries are participating in joint research projects.

The DPRK is one of the founding members of this international scientific research institute, which was founded in 1956. The institute's projects include basic research on [word indistinct] physics and atomic nucleus elementary particle physics. They also include research projects on the peaceful use of nuclear energy.

A meeting of the Institute's Council, its highest organ, recently took place. As stipulated in the Institute's regulations, the Council decides what scientific research to do. Our station reporter (Benyamin Shuvanev) reports:

The Council meeting was attended by scientists from Bulgaria, Hungary, Vietnam, Cuba, Mongolia, Poland, the Soviet Union, Czechoslovakia, Romania, the DPRK, and other founding member countries of this international scientific research center. The Korean Academy of Sciences was represented by Academician Kim Kwang-pin, director of the Atomic Energy Institute; (Yi Cha-hae), director of the Nuclear Power Department; and (Yi Tung-su), inspector at the Scientific Research Institute under the [words indistinct]. The Council meeting presented basic guidelines on scientific research and international cooperation for 1992. Hungarian Academician (Josef Duska), director of the institute, delivered a report. A report on the work of the nuclear reaction laboratory was given by Prof Yuriy (Ogamesian), laboratory director. He said that a [words indistinct] device is operational in his laboratory. This is rare equipment for nuclear physics. The nuclear reaction device will help expand basic research on the structures of materials and carry out research and development in related scientific and technological fields.

Along with Soviet scholars, approximately 500 technicians and physicists from ten countries are conducting research on unsolved physics problems at the joint nuclear research institute. Among them are 30 Korean scholars. The Korean experts are playing leading roles in all the experiments and participating in important scientific experiments. Academician (Chisi) said that the Korean scholars are very industrious. They received Institute citations and prizes for their research results. The nuclear fusion research institute and research institutes of Korean universities are carrying out many joint projects, and Korean scholars and experts frequently visit Dubna and complete their research using facilities there.

[Announcer] The Institute Council at the meeting gave citations for excellent scientific research projects to this internationalist group. Research projects by DPRK physicists were included.

Commentary on Pyongyang Stand on Inspection

SK2406091491 Moscow Radio Moscow in Korean 1100 GMT 20 Jun 91

[From the "Focus on Asia" program]

[Text] The United States has informed the ROK that it would galvanize its contact with the DPRK, if the DPRK unconditionally allows the inspection team of the International Atomic Energy Agency [IAEA] to have access to the DPRK nuclear facilities. This was reported by CHOSON ILBO in Seoul.

The inspection of nuclear facilities is a duty which must be fulfilled by the nonnuclear member nations of the Treaty on the Non- Proliferation of Nuclear Weapons. The DPRK is no exception. However, until yesterday, the question of inspecting the nuclear facilities of that country was in a stalemate.

The talks arranged by the IAEA were suspended last summer by Pyongyang. At that time, the contents of the accord (?were ready to be signed). However, North Korea linked the matter of withdrawing the U.S. nuclear weapons from South Korea with the issue.

Many observers noted that such a DPRK attitude was an indirect sign of the development of nuclear weapons in that country. As a result of this, Pyongyang's international prestige has been undermined and the prospect for improvement of its relations with the United States and other countries has become foggy.

Then, how has the situation developed today?

Pyongyang stated on 31 May this year that it was ready to sign an accord with the IAEA. It declared that it would allow the nuclear inspection team access to the territories of the Republic.

However, this does not mean that Pyongyang had dropped the issue of the U.S. nuclear weapons in the ROK.

The recent statements of the DPRK officials incessantly insist that the United States withdraw the nuclear weapons from the ROK or the nuclear weapons be placed under the surveillance of an international inspection team.

All in all, the international community is optimistic about the situation. According to AP, Washington and the capitals of some countries think that Pyongyang's statement on signing the nuclear safeguards accord may be a sign of the Pyongyang's self-examination of its stand. Washington's statement that it would galvanize its contact with the DPRK is proof. The United States and the DPRK have no diplomatic relations yet.

Today, a favorable condition for the inspection of the nuclear facilities in Korea is being created. However, this is not all. It has been learned that the remains of 11 of those Americans who were killed during the Korean war would be transferred by the DPRK to a U.S. Senate delegation on 24 June. The remains of five American soldiers were returned earlier.

The United States is favorably accepting the development of such a situation.

Report of Intelsat Accord with Japan

LD1906185891 Moscow TASS in English 1849 GMT 19 Jun 91

[By correspondent Vyacheslav Bantin]

[Text] Tokyo June 19 TASS—The Japanese corporation Kokusai Denshin Denwa (KDD) and the maritime branch of the Rossvyazinform Association on Wednesday signed a protocol of intent to create an intelsat telephone communication system connecting the Soviet Far East with Japan, the Japanese KYODO TSUSHIN news agency reports.

The report says that the existing communications lines between the Soviet Far East and Japan via Vladivostok fail to meet the increasingly growing demand.

A communications centre to be built in Vladivostok by the summer of 1992 will have access to the international communications system intelsat, KYODO TSUSHIN said.

Business Leader Says Japan Should Provide Aid

OW2206011091 Moscow Radio Moscow in Japanese to Japan 1400 GMT 21 Jun 91

[Text] According to a dispatch from Tokyo TASS, Gaishi Hiraiwa, president of the Keidanren [Federation of Economic Organization], has stressed that Japan should cooperate with other Western nations in providing aid to the Soviet Union. The president made these remarks in connection with Japan's responses to the summit talks and finance ministerial talks of the seven industrialized nations, scheduled to be held in London. The president takes a view that, if other Western summit participants propose providing technology and other assistance to the Soviet Union, Japan should go along with such a proposal.

Commentary Examines Japanese Position on Aid

LD2206022591 Moscow TASS in English 1254 GMT 21 Jun 91

[By political observer Askold Biryukov]

[Text] Moscow June 21 TASS—Japanese officials seem to tie the issue of international financial and economic assistance to the Soviet Union to Japan's territorial claims to the Soviet Union.

Recently, not a single day has passed without statements by Japanese high-ranking officials opposing such assistance to the Soviet Union by the West.

Finance Minister Ryutaro Hashimoto on Tuesday said that during the forthcoming G-7 summit in London, Japan "will be forced" to oppose granting economic aid to the Soviet Union.

The minister referred to the "northern territories" issue. The Kyodo Tsushin News Agency commented that

Japan will not render large-scale assistance to the Soviet Union before the "territorial issue" is resolved.

According to the ASAHI newspaper, during the Japanese-U.S. summit on the eve of the G-7 meeting, Prime Minister Toshiki Kaifu is planning to call on the U.S. President to "raise the northern territories issue, because of which Tokyo does not want to help the Soviet Union".

At the same time, according to Japanese newspapers, Tokyo understands that if, in London, Japan insists on hampering financial and economic aid to the Soviet Union, tying it to the "territorial issue", it is risking criticism from other states and even accusations of egoism.

To evade such criticism, Tokyo has decided to disguise its position, hiding territorial claims to the Soviet Union behind the need for the Soviet Union "to spread its diplomacy of new thinking in the Asia-Pacific region". Japan is planning to include the demand in the G-7's economic declaration as a precondition for rendering financial aid to the Soviet Union.

Japanese official circles sometimes state their support for Soviet perestroyka. Moreover, they do not object to rendering some humanitarian aid and technical assistance to the Soviet Union.

According to the ASAHI newspaper, a politician close to the Japanese prime minister said that "we cannot say that Japan cannot render financial assistance to the Soviet Union". But Tokyo is not moving ahead, hampered as it is by territorial claims to the Soviet Union, so we can hardly talk about Tokyo's support for perestroyka.

During a recent news conference in Moscow, Italian Prime Minister Giulio Andreotti expressed support for Soviet perestroyka and noted that its success is in the interest of the Soviet Union and of everybody.

"we believe that following that course, it is possible to build a system of international relations, which could help avoid the repetition of the tragic mistakes of the past," Andreotti said.

The Italian premier spoke about the possibility of participation of Italian capital and Italian firms in the Soviet Union's economic development.

In his Nobel lecture, President Mikhail Gorbachev said that a decisive moment has come, when the international community, first and foremost states having enormous influence upon events, should determine their attitude to the Soviet Union and actively show it. Undoubtedly, the statement by the Soviet leader can be seen as referring to Japan.

Near East & South Asia

Gorbachev Message to Indian Prime Minister

LD2206175491 Moscow TASS in English 1725 GMT 22 Jun 91

[Text] Moscow June 22 TASS—President Gorbachev has sent his heartfelt congratulations to Narasimha Rao on occasion of his appointment to the post of prime minister of the Republic of India.

Mikhail Gorbachev also congratulated Narasimha on his 70th birthday in a telegram published here today.

Addressing the Prime Minister Gorbachev pointed out that the Soviet people know him well as a prominent Indian politician and statesman, a loyal associate of Indira Gandhi and Rajiv Gandhi and a sincere friend of our country.

"We highly appreciate close friendly ties with India. Our cooperation in international affairs, based on noble principles of the Soviet-Indian treaty of peace, friendship and cooperation, and the Delhi declaration, continues to be an invariable constant in the efforts of the world community, aimed at building a nuclear-free and non-violent world," Gorbachev stressed in the telegram.

Analysis on Outcome of Indian Elections

BK2006151991 Moscow Radio Moscow in Hindi 1300 GMT 19 Jun 91

[Commentary by Vasant Georgiyev on "Outcome of Elections in India"]

[Text] Although the counting of votes polled in the elections to the lower house of the Indian parliament is still continuing, it would not be inappropriate to talk today about the main trend that has clearly emerged during the election campaign. As was expected, the Congress-I Party won the largest number of seats, but has fallen short of the majority to form a one-party government. Although the main rival, the Bharatiya Janata Party [BJP], has come in second, it is far behind the Congress-I. Janata Dal has secured third place, followed by other parties which have won only a few seats in parliament. The final results of the vote counting and the outcome of the Punjab elections, scheduled for 22 June, will probably not alter this overall picture.

There is no denying the fact that the situation prevailing in the country has affected the outcome of the 10th general elections in India. During the 19-month rule of the V.P. Singh and Chandra Shekhar governments after the ouster of the Indian National Congress government, the country's political and economic situation continued to go from bad to worse. The minority governments formed by parties having only a few seats in the country's parliament proved to be most unstable and they could not run the affairs of the state effectively. The unstable situation resulted in a worsening of the economic and financial situation, an increase in foreign debt, and a fall in the standard of living of the people of the country. All these things compelled the electorate to look once again toward the Congress-I. They considered Congress-I to be the only single party that could pull the nation out of the crisis. The Congress-I Party's election manifesto also contributed greatly to this. Its main slogan stressed bringing stability back to the country. It is worth noting that after Rajiv Gandhi's assassination, the BJP had an identical slogan in its campaign before the second and third phases of the elections.

We would like to draw your attention to one more feature of the current elections, and that is the absence this time of any joint opposition front against the Congress-I. The parties which had previously refused to cooperate with the Congress-I are now willing to cooperate with or support it—on certain conditions—in its effort to bring back stability to the country. The sympathy wave generated by the tragic assassination of Rajiv Gandhi also cannot be ignored. In their election campaigns, other political parties did not lose sight of this sympathy wave in favor of the Congress-I; and, therefore, the BJP leaders in their speeches did not at all criticize Rajiv Gandhi's policies. Now that most of the election results have been announced, the question of the formation of a new Indian Government has come to the fore.

Andreyev Criticizes TEHRAN TIMES

NC2006201091 Moscow in Persian to Iran 1430 GMT 18 Jun 91

[Commentary by Yuriy Andreyev from "The World Today" feature]

[Text] Dear listeners, the TEHRAN TIMES recently carried some articles analyzing Soviet foreign policy in the Persian Gulf. At the same time, the newspaper criticized the Iranian Foreign Ministry's decision to send a delegation to Moscow for talks on resolving the Afghanistan issue.

The dogmatic tone of the newspaper's reportage arouses more wonder than offense. It offers quick and bold answers to complicated international questions, including that of Moscow's policy in the region.

According to the TEHRAN TIMES, the Soviet Union is maintaining a meaningless silence over current developments in the Persian Gulf, especially with regard to Iraq's future. The paper goes on to say: The Soviet Union has not expressed overt support for the present Iraqi regime, but it clearly wants this regime to stay in power. The objectives of (?cunning) Moscow are thus clear to this newspaper.

These assertions raise certain questions. As we all know, the international community has not interfered in events in Iraq because each nation should determine its own fate. The Soviet Union shares this view. The TEHRAN TIMES, however, appears to play by different rules and seems to believe that overt interference in the internal affairs of another country is acceptable in international politics.

As far as the Soviet Union's stance on regional security is concerned, this appears to be unclear only to the TEHRAN TIMES. Moscow has repeatedly and officially expressed its view that security in the Persian Gulf region must be ensured by all countries of the region, including Iran. This is hardly a meaningless silence. In addition, when have Soviet diplomats ever expressed any preference for the Saddam Husayn regime?

According to the rules of the game, allegations like these should be supported by evidence, but no such evidence is provided by the TEHRAN TIMES. Perhaps the TEHRAN TIMES means something else by these words. As is well known, this newspaper does not concern itself with details. It appears that TEHRAN TIMES does not accept the traditional method of resolving foreign policy problems. For example it criticized remarks made by Soviet Deputy Foreign Minister Vladimir Petrovskiy during his meeting with Mohammad Musavi, director general of the Iranian Foreign Ministry, about a political solution to the Afghanistan issue.

The newspaper does not attach any importance to a discussion of this issue with the Soviet Union, claiming there is no reason to hope such talks will achieve anything. Of course, if it does not hope for success, it will not do nothing to help achieve it and will stand on the sidelines twiddling its thumbs. In any event, a solution of the Afghanistan issue will benefit both Iran and the Soviet Union, and talks between the two have produced concrete results.

There is no doubt that joint efforts by Tehran and Moscow can help halt bloodshed in Afghanistan. Is the TEHRAN TIMES opposed to this? The TEHRAN TIMES is believed to be close to the Iranian Foreign Ministry, but its recent statements seem to differ from the official views of the Islamic government. Is the newspaper pursuing its own policy?

PFLP's Hawatimah Holds Moscow News Conference

LD2206192891 Moscow Radio Moscow in Arabic 1500 GMT 21 Jun 91

[Text] Dear friends, We have already announced that Nayif Hawatimah, secretary general of the Democratic Front for the Liberation of Palestine [DFLP], who had arrived in Moscow, held a news conference at the Soviet Committee for Afro-Asian Solidarity, on 20 June in the Soviet capital. After his opening speech, he replied to questions from journalists.

In reply to a question from the Russian news agency on the position of the DFLP leadership regarding the normalization of relations between the Soviet Union and Israel, and doesn't this normalization affect relations between the Soviet Union and the PLO, Hawatimah said:

[begin Hawatimah recording] The Soviet position in relation to the PLO is a constant one, namely that the PLO is the sole and legitimate representative of the Palestinian people, and it is a constant one with regard to the right of the Palestinian people to self-determination. You know that the Soviet Union had recognized the state of Palestine, and there is a Palestinian embassy in Moscow. The Soviet position is that the Palestinian representation at the peace conference is the right of the PLO.

We believe that the Soviet Union holds important cards for more influence in the Middle East. It holds the card of the attachment to resolutions of international legitimacy, and the good network of its relations with the Palestinian people and the Arab peoples. But it also holds weighty cards in terms of their effect in the Middle East, and others, too, which are, first, the subject of the Jewish immigration from the Soviet Union, and second, diplomatic relations between Moscow and Israel.

We have proposed to our Soviet friends to establish a linkage between the question of immigration and pushing Israel to commence the peace process in the Middle East, because Israel exploits the Jewish immigration from the Soviet Union to increase its ambitions and dreams in building a greater Israel and to change the nature of the demography of the population in the occupied Palestinian lands, and more intransigence in obstructing the peace process in the Middle East.

We are for the right of immigration in accordance with the Helsinki and Geneva Accords, and for the freedom of immigration from any country to any other country. But we say in plain language that there is a difference between the immigrants to established societies where they do not change their demographic nature would be changed by the intensity of the immigration. Several hundred thousand Jewish immigrants, for instance, from the Soviet Union to the United States would not change anything in the structure of U.S. society. It is large society consisting of 260 millions, while the Jewish immigration to the Middle East changes the demographic nature of the population in the Palestinian lands; our people under occupation number two millions, and there are four million in the diaspora. Therefore, the demographic nature of the Palestinian lands is threatened, and Israel is continuing the building of settlements and the settling of immigrants in the occupied Palestinian lands. So we call for linking the immigration with the commencement of the process of settling the Palestinian question, so that the immigration neither is a cause for changing the demographic nature of our country, nor is an appetizer to the Likud for a Greater Israel.

Contacts between Moscow and Tel Aviv are legitimate and give Moscow more freedom for influencing the Middle East. But there could also be a linkage between the restoration of full diplomatic relations and the commencement of the peace process in the Middle East. We proposed this in our discussions with the Soviet officials and we say that these are weighty cards in terms of their effect in the hands of the Soviets to push forward the peace process in the Middle East. This conforms to the resolutions of international legitimacy and other international resolutions in Helsinki and Geneva. [end recording]

In reply to a question from the correspondent of ASH-SHARQ Radio, as how the Palestinian organizations would cooperate with the Federal Russian Republic after the representatives of Democratic Russia have taken over power in the Republic the secretary general of the Nayif Hawatimah said:

[begin Hawatimah recording] "With regard to the political forces within the Soviet Union, we extend our hands to all the forces concerned about peace in the Middle East, and concerned about international peace. Political relations are not built unilaterally, but bilaterally, and we extend our hand to any new political forces in the Soviet Union that adopt sound positions toward the cause of peace in the Middle East, based on the right of the Palestinian people to self-determination, and a comprehensive and balanced peace.

Therefore, these new forces should define their policies, their views on international questions, including our Palestinian question and the Middle East question. [end recording]

Iraqi Ambassador on 'Barbarism' of U.S. Attack

PM1906102191 Moscow SOVETSKAYA ROSSIYA in Russian 18 Jun 91 First Edition p 3

[Interview with Ghafil Jasim Husayn, Iraqi ambassador to the USSR, by E. Volodin; place and date not given: "All Quiet in Baghdad?"]

[Text] The situation in Iraq and the Persian Gulf region continues to worry readers. Political observer E. Volodin collected the questions on this problem which readers had sent to the paper and handed them to Mr. Ghafil Jasim Husayn, Iraqi ambassador to the USSR. Below we publish the questions and the ambassador's replies.

[Question] The war in the Near East took the lives of peaceful inhabitants and destroyed Iraq's economic potential. What, in your view, were the causes and consequences of the U.S. military action against your country?

[Husayn] The Zionist-imperialist aggression under U.S. leadership was carried out against Iraq in a barbaric manner, far removed from international legality. It was launched on the pretext of liberating Kuwait, although this exclusively internal Arab affair could have been settled easily if the Arabs had been given a chance to do so without outside interference. This aggression was committed after the international Zionist movement began to see Iraq and its patriotic leadership as the main Arab force occupying a decisive position and possessing the potential to liberate the Arab lands from Zionist occupation and also to liberate Arab wealth from Western—mainly American—domination. Under the cover of international legality, they bombed the unarmed civilian population, schools, hospitals, mosques, churches, bridges, air raid shelters, power stations, drinking water storage tanks, factories producing medicines and children's food, elevators, grain stores, ambulances, and various elements of the national infrastructure.

Barbarism is the only way to describe the attacks on the bedouin in the desert and the destruction of civilian communications, even the smallest communications post in the smallest village. And barbarism is the only way to describe the destruction of civilian bridges and the bombing of crowded civilian markets.

Does this bear any relation to the pretext used to justify the aggression?

[Question] What are the consequences of the economic blockade on Iraq?

[Hussayn] The unjust economic blockade against the Iraqi people, which the United States imposed and continues, sought to undermine the Iraqi people's morale after the collapse of all other plans—from the various conspiracies and the launching of military aggression to the propaganda campaign, which in terms of style, scale, and finance was as massive as the military action. The result has been severe shortages of medicine and foodstuffs. But the blockade organizers have not achieved their political aims.

[Question] What do you think are the prospects for Iraqi-Soviet relations?

[Hussayn] Iraq has long-standing and mature relations with the Soviet Union on every state and social level. Now we sincerely wish to continue and develop these relations to the benefit of both friendly countries' peoples. The Iraqi people will never forget the noble sentiments and principled position of the sons of the Soviet peoples during the crisis.

Sub-Saharan Africa

Dos Santos Thanks Gorbachev for Congratulations

*PM2006140391 Moscow PRAVDA in Russian
19 Jun 91 Second Edition p 4*

[Undated Angolan President Dos Santos message to USSR President Gorbachev]

[Text] To His Excellency Mikhail Gorbachev, USSR president

Your Excellency,

I have the honor on behalf of the Angolan people and government, and on my own behalf, to thank you for the congratulations sent on the occasion of the signing of the peace agreements in Lisbon, and also for the Soviet Union's contribution throughout the entire negotiating process toward achieving them.

The Angolan Government will do everything in its power to see that the above agreements are observed and really fulfilled and to ensure that the peace that is achieved is lasting and secures democratic freedoms and harmonious socioeconomic development for the entire Angolan people.

We are confident that peaceful conditions in Angola will promote more fruitful cooperation between our two countries and peoples.

Please accept, Your Excellency, these assurances of my highest respect.

[Signed] Jose Eduardo dos Santos, chairman of the Popular Movement for the Liberation of Angola and Angolan president

South Africa's De Beers Owner Visits Yakutsk

*OW2106051491 Moscow INTERFAX in English
1230 GMT 20 Jun 91*

[Following item transmitted via KYODO]

[Text] The world-known owner of diamond mines, president of the "De Beers" company Nicholas Oppenheimer arrived in Yakutsk on Thursday at the invitation of Mikhail Nikolayev, chairman of Yakutia's parliament. Previously Nikolayev visited the London headquarters of "De Beers".

According to IF's [INTERFAX] correspondent, Nicholas Oppenheimer told Yakutian MPs that the signing of a union treaty will make it possible for Yakutia to retain a greater share of its natural wealth. He praised the quality of Soviet jewellery diamonds. He said he wished Yakutia would hold a place in the diamond business worthy of it.

On June 24 Oppenheimer together with Mikhail Nikolayev will leave for Moscow where he is expected to meet with President Mikhail Gorbachev and Prime Minister Valentin Pavlov.

Fedorov Sees RSA Peace Meeting Not Peaceful

*MB2306142091 Moscow Radio Moscow in Afrikaans
1900 GMT 21 Jun 91*

[Aleksandr Fedorov commentary—read by announcer]

[Text] The South African church-sponsored multiparty peace conference is due to begin tomorrow [22 June] in a Johannesburg suburb.

Representatives from the government, the African National Congress [ANC], Inkatha Freedom Party, and 12 leading social and political organizations will be attending the conference. This commentary by Aleksandr Fedorov:

The previous conference, which was initiated by South African State President, F.W. de Klerk, and was held on 24 to 25 May, was boycotted by most organizations including the ANC, SACP [South African Communist Party], and the PAC [Pan-Africanist Congress]. Although many realistic proposals on how to end the violence were accepted, these could not be carried out without the participation of all parties.

The fact that many organizations accepted the invitation to attend the summit can only be attributed to the diplomacy of the church.

About the critical situation in the country: In the past six years more than 10,000 people have died during the violence. The two meetings between Nelson Mandela and Mangosuthu Buthelezi unfortunately could not bring an end to the violence. The state's efforts have also failed.

I think that accusations are sure to be hurled around at tomorrow's meeting —more so because the opponents of constitutional dialogue have been trying to create an atmosphere for discord. Moreover, statements by a few black leaders cannot really be seen as being tolerant and balanced. But one still hopes that national interest will prevail.

Ending violence and promoting further dialogue depends largely on unity among liberation organizations. I doubt if those participating in the violence are very much influenced by politics. I think they are following the examples of their leaders, statements released by them and their views.

The conservatives and the far rightists are making good use of the strife among the members of the black liberation organizations. They see the conflict as enmity between ethnic groups, which will not end even in a multiracial government. According to them the president's reforms are not in the interest of the whites, because once blacks begin to rule, tension in the county will just increase—so they say.

Those opposing changes are not limited to words: murderous gangs are still operating; the ban on traditional weapons in black townships seeks an end to modern assegai's being used among the Zulu's; and, black leaders are being threatened. All this is evidence that tomorrow's multiparty conference in Johannesburg will not take place in a peaceful atmosphere.

One is more concerned about the refusal by the Conservative Party and the Afrikaner Resistance Movement, chief opponents of President de Klerk and the ANC, to participate in the meeting.

All are hoping for a realistic understanding of the situation. Only mutual understanding can lead to the continuation of constitutional dialogue.

East Europe

New East European Strategy From Moscow

91P20386A Frankfurt/Main FRANKFURTER ALLGEMEINE in German 7 Jun 91 p 1

[Article by W.A.: "Moscow Seeks To Assure Strong Position in East Europe; 'Legitimate Use of Influence Leverage;' Strategy Paper of CPSU Central Committee"]

[Text] Frankfurt—The Soviet Union is seeking to assure itself of "stable and consistent" positions in the territory of its former alliance and, if necessary, to show "firmness" in the defense of its interests. This goal was laid down by the party leadership under Secretary General Gorbachev following recommendations of the International Department of the CPSU Central Committee. In a memorandum, the contents of which have been revealed in detail after several months of delay, the current lack of a "precise strategic concept" on the part of the Kremlin with respect to its former allies was decried and the blame tacitly laid on the former foreign minister, Shevardnadze, who resigned last December after warning of the danger of a Soviet return to dictatorship. "Over the past two years," the paper states, "this [European] region has been unjustifiably thrust into the background in the system of our international priorities." In light of the "active penetration by the West," this has led to a "loss for Soviet interests."

While the document, drawn up in the International Department of the Central Committee under the direction of its chief, Falin, expressly states Moscow's renunciation of "efforts to dominate" and to intervene directly into the affairs of the countries of Eastern Europe, the Soviet Union does not want to renounce its right to "legitimate use of the levers of influence." Instead, it would employ the issue of future energy deliveries to the region as a "very important instrument" of its overall strategy. Under no circumstances could dangers to the military security of the Soviet Union emanate from these countries, it was stated, in connection with the intention of opposing vigorously any entry of their former allies into NATO or the West European Union. Falin's department, which is said to have regained its strong influence upon the course of Soviet foreign policy since Shevernadze's resignation, recommends for the maintenance of old bonds a network of "qualitatively new bilateral agreements" which have, in the meantime, become the object of intensive negotiations. An agreement already concluded between Moscow and Bucharest also calls for a continuation of military cooperation, something rejected by the other former Pact countries.

On the other hand, Moscow perceives as a "real threat" the fact that "authoritarian and nationalistic tendencies" are making themselves felt in these countries. Making allusion to the strivings of several Soviet republics to achieve independence, certain "government circles" in the formerly allied countries, not otherwise characterized, are accused of making common cause with "those among us who would call into question the socialist point of view and the existence of the USSR as a unitary state."

'Rightward Shift' Noted in Czechoslovakia

PM2106120791 Moscow SOVETSKAYA ROSSIYA in Russian 20 Jun 91 First Edition p 5

[TASS correspondent A. Shapovalov for SOVETSKAYA ROSSIYA: "Coarse-Napped Velvet: Those Who Want To Inflict a Witch-Hunt on Czechoslovakia, and Why"]

[Excerpts] Czechoslovakia was conspicuously lacking in warmth in May, nor did the weather brighten up in June—it was rainy and fresh. Much the same obtains on the political scene: too much hurly-burly, finagling, and theatricality, behind which people are clearly seeking to hide the increasingly harsh political confrontation, seething passions, and ambition. The "velvet" revolution is literally degenerating before one's eyes. [passage omitted].

What actually is happening in Czechoslovakia, then?

A clearly marked rightward shift is inevitable, P. Kanis, chairman of the CPCZ, said in conversation. First, it is one thing to be a dissident or in opposition, another to tackle thousands of practical tasks. Second, just like any other, Czechoslovak society is not static. In 1990 it experienced and was intoxicated by freedom: You could go where you wanted, read and say what you liked. While material prosperity, wages, and social safeguards remained as before. From 1 January this year people began to understand that everything has to be paid for. Returning to Europe costs too much: You have to get used to the liberalization of prices, a decline in living standards, and unemployment.

However, neither the powers-that-be nor ordinary citizens are really to be envied: A slump in production has been recorded, dissatisfaction with the increase in prices is growing, unemployment has already affected 250,000 people, and by the end of the year there will be around 1 million unemployed. Everything that has happened since the "velvet" revolution, the Slovak weekly NOVE SLOVO points out, is reflected most strikingly of all in our pocketbooks, which become emptier by the day. In the parliamentary election not a single political party or movement has called in its manifesto (or even in its rules) for the establishment of capitalist ways; they all cursed the Communists and promised higher living standards, democracy, and freedom.

A rightward shift on the Czechoslovak political scene is inevitable (incidentally, the highly experienced politician Zdenek Mlynar, one of the prominent protagonists of the Prague Spring, has expressed sympathy with this view in an an extended interview to RUDE PRAVO and seeks to convey this idea to the Kremlin). It is essential simply to try to understand how serious this shift is and whether it has been caused by feuds among the political forces or the approaching parliamentary election, or whether deeper processes are at work. Many observers do not hide the fact that the Soviet Union's position, given that it is an active one, is one factor that can influence the development of the situation in the CSFR. In practice, however, what you get is resentful silence (the defacing of tanks, unpardonable criticism of the USSR president, and so forth), temporizing, indecision, and delay.

Final Soviet Units Quit Czechoslovakia

PM2106152591 Moscow Central Television First Program Network in Russian 1800 GMT 19 Jun 91

[From the "Vremya" newscast: Report by S. Andreyev and V. Lebedev, identified by caption]

[Text] [Announcer] The withdrawal of Soviet troops from two East European countries—Hungary and Czechoslovakia—is nearing completion. We have received a report from Prague.

[Andreyev] The last units, which have been guarding Central Group of Forces property and have transferred it to the Czechoslovak Army's care, are leaving today. The combat equipment—1,260 tanks, 2,505 infantry vehicles, 1,218 artillery pieces, 77 aircraft, and 146 helicopters—was sent home long ago. The Central Group of Forces stationed in Czechoslovakia numbered 73,500 men. A most complex operation which has gone strictly to schedule is drawing to a close in a well organized and worthy manner. Individual incidents do not count. Judging by the tone of their articles, this has been realized by our Czechoslovak journalist colleagues who were today clustering around Colonel General Vorobyev, commander of the Central Group of Forces. The talk was about building new relations between our countries—specifically, about the use of the buildings left behind after the Army's withdrawal. A Soviet-Czechoslovak intergovernmental agreement on settling property and financial issues related to the troop withdrawal will be signed soon.

[I.F. Panteleyev, USSR trade representative in the CSFR, identified by caption] Under the agreement between the sides we are devoting attention to forms such as the creation of joint ventures based on facilities belonging to the Central Group of Forces. In my view, this is a very promising approach. It ensures the sale of property and it provides employment for the Czechoslovak population.

Soviet Ambassador on Withdrawal of Troops

LD2206154791 Prague CTK in English 1120 GMT 22 Jun 91

[Text] Prague June 22 (CTK)—Soviet Ambassador to Czechoslovakia Boris Pankin told CTK last night that the withdrawal of Soviet troops from Czechoslovakia is "a victory of new political thinking, which breaks with the bitter chapter in mutual relations and creates a firm basis for building new ones".

The last transport of Soviet soldiers and rear equipment left Czechoslovakia via the Cierna nad Tisou railway crossing last night.

Pankin stressed that the withdrawal was proceeding according to the timetable set by the Czechoslovak-Soviet agreement of February 1990 thanks to the cooperation of relevant bodies of both countries.

Pankin believes that the withdrawal will be beneficial also to the building of a new system of European security and equal cooperation of all participants in the Helsinki process

Czechoslovak President Vaclav Havel and Czechoslovak parliament chairman Alexander Dubcek, asked to comment on the completion of the withdrawal, told CTK last night they will do so later.

Soviet troops were in Czechoslovakia from the Soviet-led invasion of the country by five Warsaw Pact armies on August 21, 1968, which crushed the Communist-led reform movement.

In February 1990, when the Czechoslovak-Soviet agreement on the Soviet withdrawal was signed, there were 73,500 Soviet troops in Czechoslovakia.

Troop Withdrawal From Hungary Continues

OW2106063191 Moscow INTERFAX in English 1500 GMT 20 Jun 91

[From 'Diplomatic Panorama'—"Give Constructive Approaches, USSR and Hungary Can Settle Withdrawal-Related Questions on Time"—INTERFAX headline—following item Transmitted via KYODO]

[Text] As DP's [Diplomatic Panorama] reporter has been told at the Third European Department of the USSR Foreign Ministry, the Soviet Union and Hungary may have settled all property, financial and economic claims related to the recently concluded stay of Soviet troops on Hungarian territory by June 30, the deadline agreed upon by the two governments last year, if they deal with the existing problems constructively. Foreign Ministry experts do not, however, rule out the possibility of delaying the final discussion of these issues till a later date.

According to them, the pullout of Soviet troops from Hungary proceeded "decently and normally," with only separate outbursts of anti-Soviet sentiments registered on the part of "extremist elements who exist in any country." Incidents of this kind could not be regarded as a reflection of the actual feelings of the Hungarian nation, the less so as a manifestation of the official policy. As regards the desecration of the tombs of Soviet soldiers who died during World War II, the Soviet Union drew Hungary's attention to the inadmissibility of such practices, and was told appropriate measures would be taken.

Soviet diplomats believe the withdrawal of all Soviet troops from Hungary is more than an illustration of Moscow's intention to end any kind of military presence on other countries' territories by the year 2000; it is a factor that may exert a most favorable effect on the progress and nature of Soviet-Hungarian talks on all issues, including a new bilateral treaty on cooperation. The two countries should pay due attention to both the positive and the negative experience of the past, maintain a balance of interests, and give each other reliable security guarantees.

Hungarian Leaders Cited on Soviet Withdrawal

PM2406110191 Moscow IZVESTIYA in Russian 15 Jun 91 Moscow Edition p 4

[Report by correspondent F. Lukyanov: "Hungary: Solemn Farewell"]

[Text] Budapest—The day is approaching when the last Soviet soldier will leave the territory of the Hungarian Republic. To all appearances this will happen next week, 19 June. On that day Lieutenant General V. Shilov, commander of the Southern group of Forces, will be the last of our military men to cross the Hungarian-Soviet border.

In connection with the completion of the withdrawal of troops from Hungary the commander of the Southern Group of Forces was received for a solemn farewell by the Hungarian leadership—President A. Goncz, Prime Minister J. Antall, and Defense Minister L. Fur. Members of the Hungarian Government and leaders of the parliamentary factions and the country's leading political parties took part in all three meetings.

"The day when the last Soviet soldier leaves Hungarian territory will be a special day for us nationally and politically," Prime Minister J. Antall said at a meeting with Soviet representatives. For the Soviet Union the withdrawal of troops from Hungary is also a significant event which will increase its political prestige throughout the world." The head of the Hungarian parliament thanked the commander for the high degree of organization ensured during the troop withdrawal. Saying that the Hungarian side is abreast of all the problems which are accompanying the withdrawal of the Southern Group of Forces from Hungary, J. Antall promised that the Soviet graves from the World War II era left on Hungarian territory will be properly tended and also voiced the hope that in the future good-neighborly friendly relations will be maintained between our countries.

The same hope was voiced at the meeting with the Soviet commander and USSR ambassador by president A. Goncz, who also highly assessed the Soviet Union's decision to withdraw its troops from Hungary.

"The Soviet Army set foot on Hungarian territory in pursuit of the units of Nazi Germany," the president said in his brief speech. "It is well known that it was not the

Soviet Union which declared war on Hungary and Hungarian soldiers were the first to set foot on Soviet territory. The Soviet Army's battles on Hungarian territory marked the final phase of the war in which, at the price of enormous sacrifices by the USSR, Europe received the opportunity for free self-determination."

The Hungarian president also noted the enormous aid which the Soviet units rendered to the Hungarian population in the period of their stay in the country. "We should like," the president said in conclusion, "the soldiers returning home to retain good memories of Hungary."

For his part the commander of the Southern Group of Forces thanked the prime minister and president for their aid in organizing the troops' withdrawal but at the same time voiced regret that questions of mutual settlement for the immovable property left behind by the Southern Group of Forces have not yet been settled. Yet an agreement on this score should be signed before the end of the troops' withdrawal.

The commander's interlocutors from the prime minister to the defense minister assured him that an agreement on settlements will be signed in the very near future and the withdrawal of Soviet troops from Hungary will thus end in full accordance with the 1990 intergovernment agreement.

CPSU 'Siding' With Yugoslav Unity Forces

OW2106075791 Moscow INTERFAX in English 1500 GMT 20 Jun 91

[From "Diplomatic Panorama"—"CPSU sides with groups working for single Yugoslavia" by diplomatic correspondent I. Porshnes—INTERFAX Headline, following item transmitted via KYODO]

[Text] The delegation of the League of Communists Movement for Yugoslavia (LCMY) led by Mr. Dragan Atanasovskiy were told during their June 17-19 visit to Moscow that the Soviet Communist Party (CPSU) "is siding with those forces in Yugoslavia that work for preserving the country's integrity and unity."

An official of the CPSU Central Committee [CC], Mr. Vladimir Romanov, told DP's [Diplomatic Panorama] correspondent the problems facing the two countries today "are quite similar—particularly in the inter-ethnic and socio-economic spheres. Hence the importance of closer contacts between the left-wing forces in the USSR and Yugoslavia."

The negotiations yielded agreement on information and delegation exchanges and the holding of joint round-table conferences and symposiums. The CPSU CC official indicated a CPSU delegation might visit Yugoslavia this coming autumn. He said Soviet Communist party activists were expected to attend the LCMY congress next November, given an invitation from the Yugoslav side. This possibility, too, was discussed in Moscow.

Mr. Romanov said contacts between the CPSU and LCMY "are not beginning from scratch: The LCMY is a successor to the League of Communists of Yugoslavia which broke up last year and with which Soviet Communists had long maintained fruitful cooperation."

Ivashko Meets With Yugoslav Official

PM2006144791 Moscow PRAVDA in Russian 19 Jun 91 Second Edition p 4

[TASS report: "Friendly Meeting"]

[Text] On 18 June V.A. Ivashko, deputy general secretary of the CPSU Central Committee, met with D. Atanasovski, representative of the Main Committee of the League of Communists-Movement for Yugoslavia, who is visiting Moscow at the invitation of the CPSU Central Committee.

The similarity of many problems of social development in the Soviet Union and Yugoslavia, it was noted in the course of the conversation, renders contacts between the two countries' left-wing forces particularly topical. Developing cooperation, the CPSU and the League of Communists-Movement for Yugoslavia will strive to further develop the traditionally firm and friendly Soviet-Yugoslav relations.

V.A. Ivashko reaffirmed the CPSU's solidarity with those forces in Yugoslavia that advocate preserving the integrity of the democratic Yugoslav state.

On the Yugoslav and Soviet sides respectively D. Draskovic, member of the Main Committee of the League of Communists-Movement for Yugoslavia, and V.S. Rykin, deputy head of the CPSU Central Committee International Department, took part in the conversation, which took place in a constructive, comradely atmosphere.

Bessmertnykh Talks With Polish Foreign Minister

LD2206182491 Moscow TASS International Service in Russian 1800 GMT 21 Jun 91

[Text] Berlin, 21 Jun (TASS)—USSR Foreign Minister A.A. Bessmertnykh held a conversation here with Polish Foreign Minister K. Skubiszewski. The meeting was devoted to the main topics of the continuing Soviet-Polish dialogue. The ministers analyzed the progress of negotiations on the withdrawal of Soviet forces from Polish territory, on the transit of Soviet forces being withdrawn from Germany, and also on the conclusion of a new treaty of friendship and good-neighborliness between the USSR and Poland. Based on the fact that matters remain to be resolved, the sides agreed to maintain close contacts. They touch upon some practical issues relating to Soviet-Polish cooperation, in particular in the economic sphere.

The ministers exchanged views on the results of the first meeting of the council of foreign ministers of CSCE member countries on the development of the all-European process, which has ended in Berlin.

Moldova's President Makes Statement in Romania

*OW2106044691 Moscow INTERFAX in English
0930 GMT 20 Jun 91*

[Following item transmitted via KYODO]

[Text] On his way to Switzerland Moldova's President Mircha Snegur stopped in Bucharest where he made a statement for the press. With reference to Moldova's attitude to the future administrative system of the USSR, Mircha Snegur said that Moldova took no part in the "9+1" formula, since a federation preserving the signs of unitarian state doesn't suit it. Moldova, he pointed out, is a supporter of a confederation, and it wishes to belong to both Eastern and Western community.

When asked about his views concerning the recent elections in the Russian Federation, Moldova's President said: In the person of Boris Yeltsin Russia has a democratic leader who wants to ensure independence for the Russian Federation as well as maintain, expand and promote mutually beneficial ties with other sovereign republics.

West Europe

Soviet, German Leaders Recall 1941 Attack

Gorbachev Address

LD2106181691 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 21 Jun 91

[Television address by USSR President Mikhail Gorbachev on 21 June to mark the 50th anniversary of the 1941 attack by Germany on the USSR; from the "Vremya" newscast—recorded]

[Text] Dear fellow countrymen:

I am speaking to you on the eve of the anniversary of a tragic event in the history of our homeland. Half a century ago, early on the morning of 22 June 1941, war invaded the lives of the Soviet people. Fascist Germany treacherously attacked the Soviet Union.

The war cost 27 million Soviet people their lives. It turned thousands of towns and villages into ruins. It razed outstanding cultural monuments to the ground. Decades have passed. New generations for whom this war is distant history have grown up. Conscience and a sense of duty to those who fell and to those who survived the war will never allow us to forget this terrible and heroic page in the annals of our multinational state. Anguish and sorrow have forever entered the consciousness of millions of people.

We will always remember the first fateful days of the war—the days of retreat and of heavy defeats. We will always remember those who bore the first blows of the aggressors—those who fought in the Brest fortress, on the Berezina, at Yelnya, in Smolensk, those who halted the enemy advance at Liepaja and on the Western Dvina, those who did not surrender Leningrad, those who defended Odessa and Sevastopol, and those who faced life or death in front of the walls of the capital. Without their self-sacrifice and steadfastness, it would not have been possible to smash the fascist troops at Stalingrad and at the Kursk Salient, and there would not have been victory in 1945.

We bow our heads before the millions who died in the Great Patriotic War, before those whom we know and those who are listed as missing. Fewer and fewer frontline soldiers are among us. There are also fewer of those who, half starving, stood day and night at their work benches, sowed and harvested grain, drove trains and trucks under a hail of bombs, or rescued the wounded on the battlefield and in the rear. We bow low to them. State and society must fulfil their eternal duty to these people and must support them in today's life, which is not easy.

On this day, I say to the members of the Soviet Army and Navy: Be worthy of the heroes of the Great Patriotic War; preserve in the Army the traditions of frontline comradeship and of multinational fraternity. The Soviet Army was and remains the flesh and blood of the people. A people and state who respect themselves must respect a person in military uniform and must be concerned about his prestige, his material situation, and his social protection. The whole Union and all its people bear responsibility for this.

The days and nights of the war have been described in detail by historians, while literature and art reflect both its routine and important events and celebrate the courage of the heroes. Much has been said about the lessons of the war. They will continue to be the object of analyses and reflection. But today I would just like to speak about one thing—the main factor in our victory. This was the cohesion of Soviet society, the strength and extent of which was unprecedented. Of course, one must not over simplify. Not everyone withstood the test. There were cowards, profit seekers, and traitors. But dozens of millions joined together and sacrificed eveything they could to defend their native home, their multinational state. People of different nationalities and social circumstances, communists and non-party people, atheists and believers—they all sacrificed everything they could on the altar of victory.

This is still a great moral lessons for us today. Of course, we now live in different times. We face other tasks. But to cope with them we first need solidarity and cohesion, a unified desire and responsibility for the fate of our homeland, just as we did then. Otherwise, no programs will help. Not even the most well thought through and scientifically well founded ones.

June 22 also recalls solidarity in a broader international sense. Very shortly after the start of Hitler's attack on our country, it was realized that allied relations between the Soviet Union and the democratic states of the West were necessary. The feeling that the fate of civilization was dependent on the outcome of the war on the eastern front nurtured the worldwide solidarity and force that finally led to the defeat of fascism. The victory of the anti-Hitler coalition gave mankind its one chance to advance toward a new, democratic world order together.

The idea of the United Nations Organization arose from this. It says in the UN Charter that it was created for the maintenance of peace, and the elimination of political, economic, and social causes of war.

Unfortunately, the chance was missed. The moral and political capital of the joining together of peoples and states was squandered in the Cold War. Only now, decades later, after we experienced the nuclear arms race, have we become conscious of the fact that peace cannot be based on force. Thus, we began jointly to build a new world order.

The two states that were the main opponents in World War II—the USSR and Germany—have made an enormous contribution to this historic change. On this day, 22 June, I would like all the Germans, as well as the Soviet people, to hear me.

The citizens of united Germany must know that we have unswervingly embarked on the path of true reconciliation between our great peoples. We believe that Soviet-German relations, which are of such importance for the situation in Europe and in the world, will become a model for truly good-neighbor relations and partnership.

Dear fellow citizens! I am convinced that on 22 June people throughout our country will come to the graves and memorials to Soviet soldiers and lay flowers in remembrance of those who fought for their homeland. It is our human obligation and a tribute to the traditions of our forefathers to also care for the graves of the foreign citizens who died in that war.

I propose that flags be at half mast on 22 June. May that day continue in the future to be for us a day of remembrance of those killed in the war, a day on which honor and eternal gratitude to the veterans is expressed. May it be a day of solidarity among people and nations, of their harmony and joining together in the name of the future, in the name of peace on earth.

Gorbachev, Bessmertnykh Cable German Leaders

LD2106211191 Moscow TASS in English 2023 GMT 21 Jun 91

[Text] Moscow June 21 TASS—President Mikhail Gorbachev sent a telegram to German President Richard von Weizsaecker and German Chancellor Helmut Kohl on the occasion of the 50th anniversary since the perfidious attack on the Soviet Union by German Nazis.

"By unleashing aggression, the telegram says, the Nazi regime signed its own death sentence on that day but at the same time it doomed Germany to routing and the German people to ruinous sacrifices, grief and national disgrace."

"The war called for incredibly strenuous efforts by the Soviet people," Gorbachev said. "Soviet people defended their motherland's honour and independence and, jointly with their allies, dealt a crushing blow to the aggressor, rid themselves and helped other peoples to rid themselves of the Nazi nightmare."

"That historic battle and the victory in it were paid for with the lives of tens of millions of soldiers and civilians on both sides of the frontline," the telegram notes. The colossal material damage caused by the war remained the source of sufferings for many years of restoration. But what was lost with every extinguished or mutilated human life can never be restored."

Mikhail Gorbachev notes that the Soviet Union "is firm and sincere in its desire for relations between our countries and nations to be invariably friendly and good-neighbourly, for the Soviet-German factor to be peaceful and constructive in European and world politics, to serve the interests of both nations and affirm universal human values everywhere."

Soviet Foreign Minister Aleksandr Bessmertnykh said in his telegram addressed to German Foreign Minister Hans-Dietrich Genscher: "June 22 is a day when the peoples of our countries do not only look back to the past events, but, with these events in their minds, look to the future which must be built in conjunction on the roads of mutual understanding and cooperation. This is the guarantee of stability and peace in Europe and this is our common duty before history."

Bessmertnykh Addresses Rally in FRG

LD2106163291 Moscow TASS International Service in Russian 1420 GMT 21 Jun 91

[By special correspondents, Vladimir Pavlyushin, Konstantin Saavin, and Georgiy Shmelev]

[Excerpt] Potsdam, 2 Jun (TASS)—An event that would have been hard to believe possible even recently took place in Potsdam, capital of the state of Brandenburg, today. Officers and men of the Western Group of [Soviet] Forces and the Bundeswehr assembled for a meeting to mark the 50th anniversary of fascist Germany's attack on the Sovie Union

In the congress hall, adorned with the flags of the USSR, the FRG, and Brandenburg the national anthems of the two countries were played and Manfred Stolpe, head of the Brandenburg state government, opened the meeting in the presence of the USSR and FRG foreign ministers, Aleksandr Bessmertnykh and Hans-Dietrich Genscher.

Addressing participants in the meeting, Aleksandr Bessmertnykh recalled the scale of human casualties sustained by the Soviet, German, and other peoples during the immense catastrophe of the war that broke out 50 years ago. The war left our peoples with an onerous legacy, and the first key step on the road toward overcoming mutual mistrust was taken with the signing of the Moscow Treaty in 1970. Now relations between the USSR and the FRG and a different political atmosphere on the European continent began to take shape based on that treaty, he noted.

As a result of the policy of new thinking, begun by the Soviet leadership six years ago, fundamental changes occurred in Europe, fulfilling the German people's aspiration to restore their state unity in a form acceptable to all. The treaty on a final settlement on Germany and the extensive set of bilateral treaties and agreements have raised relations between the USSR and the FRG to a qualitatively new level. Consistent implementation of these agreements will provide reliable guarantees that genuine cooperation and partnership will become firmly established between our countries. Step by step, through reconciliation, cooperation and political dialogue, we shall turn interaction between the USSR and Germany into a constant factor in the new Europe of peace and security, A. Bessmertnykh said.

The map of Europe now has a new look. I would like to hope that united Germany will handle its destiny with profound awareness of its increased responsibility toward the future. The last Soviet soldiers will have left German soil by the end of 1994. It is necessary to do everything to ensure that our servicemen leave as good friends. This has been agreed firmly by our governments, A. Bessmertnykh stressed.

Today we can say with certainty that the Soviet and German peoples have made a definitive choice in favor of accord and cooperation among themselves and with the neighboring European peoples. That means an awareness of the lessons of the past and this commitment to the memory of those who died in the war: that we must never allow something like this to occur again. [passage omitted]

Falin Gives Interview

AU2106103091 Munich SUEDDEUTSCHE ZEITUNG in German 21 Jun 91 p 8

[Interview with Valentin Falin, Germany expert of the USSR, former ambassador to Bonn, and secretary of the CPSU Central Committee, by NOVOSTI reporter Vladimir Markov: "Turning Over a New Leaf"; place and date not given]

[Text] [Markov] On 22 June, it will be the 50th anniversary of the attack on the Soviet Union. This anniversary will take place under clearly changed international conditions. How do the positive changes in East-West relations affect the analysis of the events 50 years ago and what conclusions are drawn?

[Falin] For the first time for many years, there are again conditions that permit us to shape history not against, but together with each other. Since we are living together, we must understand the past and draw relevant conclusions for the future. Compared with the past and the present, the future will, of course, develop differently, but the experiences of history will help us to avoid mistakes that were once made. Considering that the mistakes of our states and peoples claimed an enormous number of lives in the past, these mistakes would mean the irreversible end today. If we bear this in mind and do not simply distinguish between friend and foe in history, if we do not measure facts against party affiliations, we will understand each other.

[Markov] In these days of the 50th anniversary of the attack on the USSR, the first session of the CSCE Council is being held in Berlin. Is this to be seen as a symbol?

[Falin] This is really some kind of symbol, although the event was a foregone conclusion because 22 June 1941 was a turning point, not only in Soviet-German relations, but in the development of Europe and the whole world. At that time the following question was placed on the historical agenda: Will the whole world become fascist or is there at least a spark of hope for justice and freedom in civilization, even though it remains contradictory and complicated? If our country had not experienced 1941 and the subsequent war, if it had not made such enormous sacrifices, one would only be able to wonder today where entire nations that were planned to be largely exterminated are.

The Soviet Union virtually won two wars: The first—alone against fascism in 1941. At that time, Hitler's plan to gain world supremacy was finally frustrated. This plan provided for several lightning wars, while each of these wars was to continue the previous one at a higher level.

In early 1942, the second part of World War II started. This was a classic war in which neither insolence nor temporary superiority in forces and troop training, but factors with a long-term effect were decisive: the ability to survive of the peoples and systems and the defense of their sacred affairs.

Here I am very confident: The European foreign ministers will honor the heroic act of the Soviet people at their conference in Berlin. After a break of 45 years, we will perhaps again experience the appreciation and gratitude for the Soviet Army and our people that was enthusiastically expressed in official speeches and newspapers of the United States, Great Britain, and other states in 1945.

[Markov] President Gorbachev and Chancellor Kohl will soon meet at the USSR's western border. How do you evaluate the new quality of Soviet-German relations and their role in Europe?

[Falin] The role of our relations with Germany can be compared with the role of Russian-German and Soviet-German relations of the past. Neither side needs any exaggeration, minimization, or false modesty. Regarding the forthcoming meeting, I think that it is very useful that it will be taking place against the background of the difficult events 50 years ago. For a new leaf will only be turned over today. With the great treaty on good neighborliness, we conclude a peace of which not so much the governments, but the simple people of the two states have dreamed for years.

German Leaders Send Messages

LD2106223191 Moscow TASS in English 2142 GMT 21 Jun 91

[Text] Moscow June 22 TASS—German leaders sent messages to President Gorbachev today on the occasion of the 50th anniversary of the treacherous attack of Nazi Germany on the Soviet Union.

"It is impossible to comprehend the losses and describe the suffering that your people lived through during the war and after it was over," German President Richard von Weizsaecker wrote in his message. "The eventful thousand-year history of our relations saw both grim episodes and bright periods of fruitful, mutually advantageous cooperation and mutual enrichment. We need resolute striving for the truth and mutual understanding in order to use positive sides of those relations for covering with dignity the way of repentance and misfortune, suffering and hardship, and finding a way to the future based on trust."

The message of German Chancellor Helmut Kohl said that "the German people and the peoples of the Soviet Union should pool efforts in building Europe on the basis of peace, good neighbourly relations and partner cooperation in the spirit of reconciliation and friendship. The suffering of the past, July 22, 1941, and its consequences for the people of the Soviet Union will not be forgotten... the memory of the horrors of the war urges us to rule out once and for all the use of war as an instrument of politics and to create conditions for durable peace in Europe and throughout the world. This specially refers to the efforts aimed at establishing partner relations between united Germany and the Soviet Union."

Foreign Minister Hans-Dietrich Genscher stressed in his telegram that "the sincere desire of our nations to bury mutual hostility, created by the war, and the quest for reconciliation were an important impetus for overcoming the split on the continent."

Kohl Delivers Address

LD2106145691 Berlin ADN in German 1403 GMT 21 Jun 91

[Text] Moscow (ADN)—On the eve of the 50th anniversary of the German attack on the Soviet Union, Federal Chancellor Helmut Kohl stated in an address on Soviet television today:

Esteemed citizens of the Soviet Union!

We Germans today remember with you that day 50 years ago when German troops attacked the Soviet Union.

Together we recall the untold suffering inflicted on the peoples of the Soviet Union, too, in World War II unleashed by the Hitler dictatorship.

No figure can measure this suffering. Our sadness is for all the innocent victims, the children, the women, and the old people.

It is for the millions of soldiers who suffered fear, deprivation, and death on the battlefields of this war.

The German people themselves had to pay a terrible price for the ideological and power-policy blindness of that criminal regime then holding power in state and government in Germany. Millions of my compatriots lost their homes.

The names of two cities in the Soviet Union symbolize the entire cruelty of a war the National Socialist leaders had planned as a campaign of annihilation: Leningrad and Stalingrad.

The siege of Leningrad stands for the untold suffering inflicted on the civilian population.

Stalingrad stands for the inferno of waging a total war.

This city is situated in a region the Germans, too, had helped to build over many centuries.

We gratefully recall that even in the darkest period in our history people's spirit of humanity could not be destroyed.

There were moving examples of the readiness to help, of magnanimity: even across the fronts.

And there were German men and women who resisted the Hitler dictatorship. Many of them paid for this with their lives.

World War II ended with unconditional surrender for us Germans.

In view of the crimes committed in the name of the Germans and by German hands, we made the solemn oath:

"Never again dictatorship! Never again war!"

One of the most important lessons for us Germans from the history of this century is that freedom and peace are inseparable.

A regime violating human dignity and disregarding the nations' right to self-determination is always a threat to peace.

I myself experienced the war as a child. My generation was too young to be caught up in blame. However, we were old enough to consciously experience the horrors of war.

For this reason I am firmly resolved to commit my whole strength to a Europe of justice and peace, of cooperation, and good- neighborliness.

That is the desire and will of all Germans.

I know I am in agreement with your president, Mikhail Gorbachev, that we must direct relations between our nations toward a peaceful and common future.

We have shaken hands on this solemn declaration.

Last fall Germany and the Soviet Union concluded a comprehensive Treaty on Good-neighborliness, Partnership, and Cooperation.

We thus took up the good traditions of centuries of peaceful common ground between our peoples.

I want us to create a good future on this foundation for the coming generations in Germany and the Soviet Union.

At the end of the century in which so much suffering has come upon the nations of Europe we call to our children and grandchildren: We want friendship between people, we want lasting peace between our nations.

German President's Message

PM2406095991 Moscow PRAVDA in Russian 22 Jun 91 Second Edition p 3

[Message from FRG President Von Weizsaecker to USSR President M.S. Gorbachev on 50th anniversary of outbreak of Great Patriotic War]

[Text] To His Excellency Mikhail Sergeyevich Gorbachev

Esteemed Mr. President,

the 50th anniversary of the German attack on the Soviet Union gives me occasion to appeal to you and your people.

June 22 1941 is a fateful day in the lives of our peoples. We can only remember it with a sense of deep inner emotion. Distressing memories of immeasurable suffering are linked with this date. Contrary to all precepts of humanity and international law, Germany's National Socialist leadership unleashed that war of aggression against your country. The sacrifices are unimaginable and the sufferings indescribable that people in your country endured during and after the war. But we Germans also suffered as a result of the war; we were beset by the injustice and calamities in whose name all these sufferings were inflicted on other peoples. Both peoples inflicted terrible wounds on one another, wounds that have still not completely healed even today.

In their thousand-year checkered history our relations have also seen bright eras of fruitful, mutually beneficial cooperation and mutual enrichment alongside the gloomy chapters. A resolute desire for truth and mutual understanding is needed, relying on the positive aspects of these relations and fittingly traveling the road of penance for the misadventures, the sufferings, and the privation, to find the way to a future based on trust. For a long time there were few opportunities for this; the confrontation of political systems in Europe posed an obstacle in the way of rapprochement.

It was only the policy of detente that made it possible to make serious moves to meet one another halfway. An important role was played in that by the 1970 Moscow Treaty between our two countries as well as the Helsinki Final Act, which was further developed by the Paris Charter thanks to your vigorous efforts. It was due to this development that we Germans succeeded in overcoming the agonizing 40-year division of our country.

It is with a sense of thankfulness and gratitude that we state that these historic changes would not have been possible without the magnanimity of the peoples of the Soviet Union and the policy of the new thinking, which is linked most closely with your name.

We are attentively following the political reforms in your country and doing our utmost to support the efforts to stabilize the economy connected with these reforms. Both our countries have placed the development of our relations on the firm foundation of the 9 November 1990 Treaty on Good-Neighborliness, Partnership, and Cooperation. For the first time since the end of World War II we have a chance to develop our relations on the basis of the best traditions of our common history. Let us not miss this opportunity. Our peoples can contribute to Europe's peaceful future through mutual understanding and reconciliation.

We are all summoned to take part in this great cause.

Allow me to assure you, Mr. President, that the German people and I remain ready to do this.

Please accept my best wishes.

[Signed] FRG Federal President Richard von Weizsaecker.

Akhromeyev on WW II, Conclusions

AU2106143691 Hamburg DIE WELT in German 20 Jun 91 p 3

[Interview with Soviet Marshal Akhromeyev by unidentified DIE WELT reporter; place and date not given: "Clausewitz Is Outdated"]

[Text] [DIE WELT] You took part in the war as a battalion commander. You were wounded. Fifty years after the war, in a very reflective talk recently, you tried to draw conclusions. What are your conclusions?

[Akhromeyev] In the course of the talk I had recently with Alfred Dregger [Bundestag floor leader of the Christian Democratic Union], we realized that we both belong to the same generation. In the Great Patriotic War, he fought for the Wehrmacht on the Soviet-German front, and I defended my fatherland against Hitler's aggression. At that point in the war, we were both commanding a company and a battalion. We both experienced what a war in general and a war between the Soviet Union and Germany in particular mean.

Our meeting took place in a loyal and appropriate atmosphere. Enmity and animosity belong to the past. However, we both still feel bitterness in view of the incredible suffering of the people, the mass destruction, and the irreversible loss of human lives as a result of the last war. It is impossible to forget this horrible chapter of history. In my view, it must never be forgotten. It is our duty always to remember those who were killed in this bitter and irreconcilable war that was bound to end in the total victory of one side and the destruction and unconditional surrender of the other. That was our countries' policy in the years preceding the war and during the war. It can be described in one word—irreconcilability. I think this is the point from which we have to draw conclusions from our tragic past:

First, never again must a war be unleashed. The losses in the last war were enormous and are irreversible. Any war in Europe today would lead to the ruin of all European peoples. European civilization would be doomed. Then there would be neither a past nor a present nor a future for us.

Second, German-Soviet relations must be cultivated, developed, and improved. If the Soviet Union and Germany agree that war must not be permitted, there can be no war in Europe. I am deeply convinced of that. I am convinced that these are the two most important lessons of World War II for the Soviet Union and Germany.

[DIE WELT] The European postwar order, which was not marked by historically, culturally, or ethnically determined borders, but divided the continent on the basis of a "cold war" order, has been overcome in a rapid process of far-reaching change. Europe is reorganizing itself. Was this change a game where one side could only win what the other lost? What was "lost," and what was "won"?

[Akhromeyev] The postwar order in Europe was created at the Potsdam conference as a result of the destruction and unconditional surrender of Germany and its allies. When it was conceived by the heads of state of the USSR, the United States, and Great Britain, this order was designed to be temporarily valid, for a few years only. Of course, the historic, cultural, and ethnic aspects were not considered. I do not want to comment on the reason this order existed for almost 45 years.

The basic changes in Europe took place during the period of 1985 to 1990. A real and legal peace was created following the conference of the European heads of state in Paris at the end of 1990. Germany was reunited. Regarding your question as to what was "won" and what was "lost," today everybody has "won." The danger of war has been averted, and the military threat has decreased. Territorial problems have definitely been solved. However, many people, including people in the Soviet Union, have doubts about the new situation—for two reasons.

First, these people are used to seeing the security of their country guaranteed primarily by military means. Today, political means are gaining in importance. Many people do not have confidence in such means. Only time can convince the people.

Second, frankly speaking, far from everybody in the Soviet Union today believes that Germany will be well-disposed toward the Soviet Union in the future. People are concerned about the possible revival of revanchism in Germany. Therefore, Soviet- German relations will play a decisive role in the future. Only in the future, will we be able to give a final answer to the question of whether anyone has "lost" anything or whether everyone has "won" as a result of the final postwar settlement in Europe. We will remember and will hope for a common "gain." We must do everything in our power to reach that goal.

[DIE WELT] How do you view the role of Germany and the Soviet Union in this process of change and in our common future in Europe?

[Akhromeyev] If we want to ensure peace for European nations and countries in the long term, and if we want to guarantee the rule of law and security, we must create a regional (a European) security system in which all the European countries, the United States, and Canada must take part. In doing so, we would have to restructure the two existing military-political alliances accordingly. In creating a European security system, the Soviet Union and Germany, together with the other big powers and the United States, could make a decisive contribution.

[DIE WELT] Both the war and military experiences have influenced your thinking. Previously, people said that war is "the father of everything." Is that also true today? Is war still a responsible "means of politics"?

[Akhromeyev] The well-known Prussian general and scholar Carl von Clausewitz claimed two centuries ago—and for his day, he was right—that war is the continuation of politics by other means, by means of force. At the beginning of our century, Vladimir Ilyich Lenin not only confirmed this thesis on war, but also developed it further. This thesis was valid until the middle of the century when nuclear weapons were developed.

Today the thesis on war and on the continuation of politics is no longer generally valid. It is only partly valid—regarding regional military conflicts such as the war in the Persian Gulf that has just ended, and similar conflicts. By the way, experience has shown that today's regional conflicts cannot be definitively resolved by military means alone.

However, in the case of a world war, or a war between the big powers, the thesis is not realistic.

First, a nuclear war would destroy all life on earth. Mutual destruction cannot be politics. That is nonsense.

Second, even if only a conventional war were to be unleashed in Europe, it would also ruin our continent. There are at present about 350 nuclear reactors in Europe. They would be the targets of destruction in a war. The accident involving a single reactor in Chernobyl five years ago had serious consequences. The Soviet Union has spent 20 billion rubles on repairing the damage, but no end is in sight. Hundreds of thousands of people have suffered great damage to their health, and environmental damage is also considerable. Europe would be totally destroyed if dozens, or even hundreds of such reactors were to be destroyed.

Today, large-scale war is no longer politics: It only means mutual destruction.

[DIE WELT] Most people, including the politicians, say that they want to have peace. Nonetheless, wars have been waged recently, and force has been used to reach political goals. Therefore, most countries protect their citizens by taking adequate measures for their security and for defense. What measures do you consider adequate to allow mankind to live a decent life in greater security, and suffer less from the "scourge" of war in the future?

[Akhromeyev] Today there are two worldwide methods of guaranteeing the peaceful development of peoples:

First, the old idea of protecting citizens and countries by arms and force;

Second, creating a system of collective security. In the second half of the eighties and at the beginning of the nineties, we witnessed basic changes in the military-political situation. This took place all over the world, and in Europe in particular.

Military confrontation between NATO and the Warsaw Pact belongs to the past, the arms race and cold war are ending. The United Nations Organization is gradually becoming an instrument of peace—something for which it was originally designed. The United Nations and its Security Council offer themselves as organs on the basis of which the system of global security can be created to guarantee the peaceful settlement of quarrels and, ultimately, peace for all peoples and countries on the earth. The Gulf crisis has delayed and damaged the process of creating such a system, but it has not stopped it.

In November 1990, the charter for a new Europe and the treaty on the reduction of forces in Europe were signed at the European summit meeting in Paris. Together with the organs that will be set up on the basis of these agreements, they could serve as a regional European security system.

Both security systems (the global and the regional system) that could be created if the international situation develops positively must not interfere with or contradict each other. Each will have to fulfill its own task and certain duties toward peoples and countries; the European security system must, of course, be an integral part of the global security system.

It could be the task of a regional European security system to prevent a war and to settle any type of conflict (including territorial conflicts) between the European countries by peaceful means. For solving this task, relevant military organs of the regional security system must be formed to monitor the implementation of the decisions made.

In addition, the European security system could take over the organization of the negotiations on the reduction of armed forces in Europe.

Owing to the decrease of the military threat, detente, and the other resulting events, conditions were created in the second half of the eighties that make it possible to guarantee security in Europe, not on the basis of military blocs, but on a collective basis, with the participation of all the European countries (without exceptions), the United States, and Canada.

However, such a security system can, of course, not be created in a short space time. It must be preceded by the disbanding of the military organization of NATO (the military organization of the Warsaw Pact has already been disbanded). NATO could, of course, continue to exist as a political alliance. In addition, the military tasks of the Western European Union would have to be precisely defined. The creation of a European security system obviously requires comprehensive preparatory work.

We must get used to this idea, we must agree to it and make a political decision on a European security system. It will, of course, not be easy to make a decision on the creation of such a system because we are talking about the future and are trying to look to the 21st century, in the hope that we will be able to build a flourishing Europe where stable peace and security will be guaranteed for all peoples and countries.

Review of British Double Agent Blake's Book

PM2406091191 Moscow PRAVDA in Russian
19 Jun 91 Second Edition p 5

[Article by A. Nikolayev: "The Man Without the Mask. G. Blake Talks About His Life and Work"]

[Text] The book under discussion was written in the Soviet Union but first published in Britain. Its author is a man whose name is anathema to misty Albion, but who has a worthy place in our country as one of those who played a considerable role in the USSR's successful countering of the Western forces united under the NATO flag. The book is called "No Other Choice."

The book's author—George Blake (real name George Behar)—is by no means a writer or journalist. He is an intelligence officer—that is, a man of an entirely different profession and way of life. But the connection between his writing and his intelligence work—which, British specialists claim, "rendered worthless virtually the entire British postwar intelligence effort against the Soviet Union and its East European friends"—is undoubtedly a remarkable talent or, if you like, a God-given gift.

His name first became famous almost 30 years ago, in the early sixties. Never before in the history of British intelligence had one of its covert personnel caused such an outburst of passion and emotion as George Blake. This staffer with the supersecret Russian section of the British Secret Intelligence Service [SIS] proudly admitted to a closed court that for many years he had cooperated with Soviet intelligence solely for ideological reasons. He was sentenced to the longest term of imprisonment ever imposed on a British subject for breaking the "Official Secrets Act"—42 years. British law lays down a maximum term of 14 years' imprisonment for breaking this law. The total period of G. Blake's cooperation with Soviet intelligence was divided up by the British court into several separate periods, each of which was given the maximum 14-year term.

"For me this sentence," Blake recalled ironically, "seemed so immense and unreal that I could hardly keep from smiling. The 42-year sentence went beyond the bounds of the reasonable and had no more importance for me than, say, a 2,000-year sentence!"

What got the British justice system so mad? Was it just the revelation of the names of approximately 400 hundred top-secret British intelligence agents on the territories of the former "Eastern Bloc" countries? That was one of the questions subsequently asked by the journalists who were unexpectedly invited to tea one day in George Blake's Moscow apartment.

"I told my Soviet friends," Blake told the journalists, "about the drilling of a 150-meter underground tunnel under the Berlin Wall to allow the British and U.S. special services to gain access to Soviet underground lines with the aim of secretly listening in to government and military communications channels. Moscow knew about the Western special services' 'archaeological bent' long before the first sod was turned to build this unusual underground installation... This is not to mention the innumerable highly important top-secret documents photographed on British intelligence premises and then sent to Moscow..."

George Blake's book "No Other Choice" will soon be published in Russian. It is not just the confession of a man with a truly amazing destiny, but a story about the numerous intelligence operations carried out by George Blake. Here are a few of them.

The aforementioned "Berlin tunnel" was regularly used by the KGB to feed the Western special services disinformation, which was urgently sent to the relevant decisionmaking government offices in London and Washington.

A high-ranking "superagent" recruited by British intelligence in the CEMA misled the Western special services for several years. George Blake was very directly involved in the "recruitment" of this "most valued source" for the British intelligence service, and personally set him tasks which, naturally, Soviet rather than British intelligence was interested in seeing carried out.

Dozens of British agents were arrested on the basis of tip-offs from G. Blake, and many became KGB double agents. They have been and, most probably, still are working right up to the present day under the appropriate "control," despite the many events which have occurred during this period in the East European countries.

By an irony of fate the name of George Blake was for many years virtually unknown in the country whose state security he had made so great an effort to safeguard. It was only new thinking and glasnost in conjunction with the KGB's readiness to share some of its secrets with a wider public that made possible the publication of the book "No Other Choice." For millions of people now Blake himself is a man without a mask.

Readers will find much that is interesting in the book and they will gain answers to a question that is highly appropriate in the present situation: What motivated a British career intelligence officer many years ago to write on a piece of paper from a school notebook addressed "To the Soviets" a note offering to cooperate with Soviet intelligence on a voluntary and permanent basis?

The book also talks about the terms which George Blake set the Soviet representatives when he started cooperating with the KGB. Today, when there are calls all around for people to chase after "easy money," they sound patently old-fashioned and somehow out of step with modern ideas of gentlemen and businessmen:

"I will voluntarily provide information on SIS operations against the Soviet Union, the other socialist countries, and the world communist movement, but not against any other country. I will not agree to any financial or material reward for my services." That was what G. Blake wrote in his note. And he did not deviate one iota from these principles, which he formulated of his own volition.

"During all my time working as a KGB agent I did not receive a kopek from that organization," George Blake writes. "When I arrived in Moscow after my escape from Wormwood Scrubs [a London prison] I was given an apartment, for which I pay rent, and a small sum of money to set me up. Later I was awarded a pension, which I still receive. Any money I earn goes to supplement that sum. But when I was working for the SIS and was a KGB secret agent, Soviet intelligence paid me nothing. Everything I did, I did for ideological reasons and never for money."

"Ideological reasons"... What are they, some modern readers may ask, having lost their bearings for a while in the current situation in the Soviet Union in an unending turbid swirl of slogans and words.

As for George Blake, he does not get confused by all the ins and outs of half-destroyed ideological fortresses. He made his choice some 30 years ago, and, explaining his position, he writes:

"I would like to inform readers of my train of thought, to sketch out my initial state and the events and circumstances which shaped my views, to show how they were enriched and changed—bringing me to accept communism—and to demonstrate how the idea of building a communist society (and I still consider it the highest form of social system that man can ever achieve) influenced my position and actions in the protracted East-West conflict which, it now seems, has been happily resolved."

The book "No Other Choice" is a window on the soul of its author—a Soviet intelligence officer and holder of the Order of Lenin, the Order of the Red Banner, the Order of the Patriotic War First Class, the "For Personal Valor" Order, and a top Netherlands honor for organizing the antifascist struggle in that country. George Blake did indeed choose his path once and for all.

Encounter With Gorbachev Wins 'Threat'

PM2406135391 Moscow KOMSOMOLSKAYA PRAVDA in Russian 15 Jun 91 p 1

[Report by Karl-Ludwig Guensche, BILD correspondent in Moscow: "As Mikhail Gorbachev Was Walking Along Kosygin Street"]

[Text] It is an unwritten law that prominent state figures communicate with members of the press, as a rule, at press conferences or at prearranged meetings. But obviously any journalist values above all meetings with top people in, so to speak, an informal atmosphere. And I must say, by the very nature of his work, a journalist is destined to face all manner of "unofficial" situations.

To be honest, in my life I have seen few presidents on the street. So you can imagine my surprise, when, on election day, 12 June, I saw USSR President M. Gorbachev strolling along Kosygin Street at around midday with his wife and granddaughter!

The French say a woman can take offense if she is not pestered... Could I drive past this marvel without trying my luck? I could not! So, guided by the standards of behavior (for journalists) that are accepted in any democratic country, I stopped my car and decided to put some questions to one of the leading figures in world politics. You will agree that on this historic day for Russia it was something I was simply obliged to do...

So, with a loud cry of "Mr President!" I took several steps in the direction of the presidential couple, who were surrounded by bodyguards. Mr Gorbachev and his wife turned toward me, but at that moment a bodyguard stepped right between me and the president. The Gorbachevs continued on their way without stopping—well, the attempt had failed. And that also tallies with the democratic standards of conduct: Any old... president would have done the same thing in his place.

But look what happened then. A short, stocky man left the group of bodyguards, came toward me, and said something that was clearly intended as a threat: "If you try that again, we will strip you of your accreditation and expel you from the country."

I tried to get the "sweet-talking" man's name, but he spun round and strutted off disdainfully. To be honest, I was dumbfounded by such treatment. I would have understood if he had introduced himself and told me off—I deserved that, certainly. But I do profoundly believe that not even the president's bodyguard can be permitted to behave so disgracefully.

Supreme Soviet

Gorbachev Addresses Supreme Soviet 21 Jun

LD2106124891 Moscow All-Union Radio Mayak Network in Russian 1025 GMT 21 Jun 91

[Speech by President M.S. Gorbachev at USSR Supreme Soviet session in the Kremlin on 21 June—recorded]

[Text] As you know, the subject of a report from the prime minister on the situation in the country arose here, at the Supreme Soviet. Requests came from here and were delivered to the president. I instructed... [changes thought] There was even the desire that the president should come and that the prime minister should have his say. I instructed Comrade Pavlov to do it.

Comrade Pavlov has already given you a short report, but we agreed to return to this matter in greater detail. He prepared it and did it. We viewed this as keen interest on the part of the Supreme Soviet in what the Cabinet of Ministers, the executive, is doing in this complicated situation; how it sees that complicated situation; how it forecasts developments in the economic, political, and other fields; and what steps the executive is taking in this situation. I am impressed by all this. It demonstrates the lively ties which there have been and which exist now and are preserved between the Supreme Soviet and the executive authorities. That is as it should be, for without that interaction and understanding we shall not achieve anything.

Everything comrades have said here regarding our successes and failures and the very actute situation in several areas of our policy, especially in the field of putting together the Union budget, generally reflects the present, very difficult realities. In connection with this, the proposals, observations, and criticism deserve to be taken into account by both the president and the Cabinet of Ministers. Therefore, in this sense, generally speaking, I do not cast any doubt at all in principle on the desire for this meeting and an exchange of views; because, especially as you have gone out to the regions and you have additional information, it is all understandable. It is all understandable; and we must always interact vigorously in this situation, for all the present problems and tension.

With regard to the cabinet: The cabinet is acting within the framework of the policy of radical renewal of our society and enjoys the president's support, the president's full support.

There is no crisis at all in relations with Comrade Pavlov, and I hope that there will not be any—even though you understand what a mission and what burden of responsibility rests on this executive power. I do not dissociate myself since I head it, and such responsibility also rests on the prime minister when we are operating in these extreme conditions, perhaps the most difficult ever apart from the Great Patriotic War, when we had the enemy on the threshold of our capital, or near Stalingrad, and so forth. That is why we all need to take this into account. Now the cabinet, if you like, is in the process of being formed; and that has virtually been completed. While the formation is followed by a search both for methods and work, the forms of work, of this new body of executive power. After all, many things have changed, very many things have changed.

Generally speaking, it is not operating in a simple situation. Look first at the situation itself. Socioeconomically, there is tension and there are expectations. Impatience has reached its limit. These are generally negative trends. To a certain extent, maybe, they were contained. But powerful trends, such creative ones and toward stabilization had not yet formed, even though they have appeared. This is the primary difficulty.

Next, the difficulty lies in the fact that the program which we have drawn up... [changes thought] Look how much this cabinet needs to decide in literally a matter of weeks! But, after all, all of this, whatever question of the anticrisis program you take, it takes work, colossal intellectual work. Moreover, they are all new, we have never tackled them. There is no possibility of getting the answers somewhere. That is why mistakes and everything happen here, as it were.

Third, you probably all see what the reality is like: new republics with a new situation and new interrelations. It is precisely in the context of these new relations that the Cabinet of Ministers is seeking its role and place. I must tell you that its activity is increasingly assuming this joint—as a matter of fact, its anticrisis program has grown into a joint program, just as the currency issues are joint issues, questions of the stabilization of basic industries, Comrade Doguzhiyev's commission which comprises representatives of all republics, deputy prime ministers, Shcherbakov with the prime ministers on the economy. [sentence as heard]

That is to say, all this is being welded on and being done with the republics. Every step is being studied as far as possible. That is why I believe that the cabinet is precisely looking for solutions. Therefore, saying that, look we have created a cabinet, and it has started work and has already taken the reigns entirely, and the situation... [changes thought] No, of course, no, no. [sentence as heard]

But I see and support these efforts. Moreover, the main major meetings of a strategic nature take place under my chairmanship when we invite the leaders of the republics.

There are no problems. I asked Comrade Pavlov what has happened? He says that Comrade Kucherenko asked the day before: What are you giving us? How can you sit there and do nothing when we still have no budget? You must act.

But Comrade Kucherenko must also take a rather broader view. You criticize us, and so we too will tell you. You are, as it were, in a glass house here. You want things to be sterile. [shouting heard in the background]

Never mind, never mind, never mind. Do not get excited. It turns out that you are reacting morbidly when considerations are expressed to you. What is needed here is the basis of feedback. According to the constitution, we do not have any fewer rights for stating our views and judgements. After all, Comrade Kucherenko, you know what the point is.

Comrade Pavlov says he did it to forestall things. I decided to put it, you know, that—well, you do say that the bank is not working and not discharging its functions. But is the bank in the Supreme Soviet, or what? Have you taken it away from the government? Why, you are in charge of the bank. Bring pressure to bear—why is it not fulfilling your decisions? Yes, well, as he explained it to me, he wanted to raise some questions in a businesslike way, that the cabinet is not omnipotent and that he needs to have something done.

You know, I think that it is precisely this statement, this part of Comrade Pavlov's statement that took an unexpected turn. I think that he did not think it through, in uttering such considerations he did not think them through. However, and I am getting to the most important point now, when a trend toward public consensus, a constructive interaction has begun to emerge and the people are now very critically predisposed toward those who attempt to stir things up and wreck them—those who are in the way—things must be tackled. We have indeed approached a stage when prevaricating is like death at a time when the cabinet is seeking out these contacts and interacting to get a move on in all areas and, above all, to implement the demands of the anticrisis program. Generally speaking, there are people in our country whom this does not suit. After all under such conditions, not just here at the Supreme Soviet, but in any guise, in the mass media, at the Central Committee plenary sessions, behind the scenes, wherever these might be, they try, you know, to impose their opinion, their vision upon us, desiring to have their policy make headway.

This is what Comrade Alksnis and Comrade Blokhin are doing. It is, after all, they who at the plenum, too, you know, raised the question of expelling the general secretary. They are hovering around the plenum, around the plenum, not that it matters, you know. And here, here too you are doing this and into the bargain you are destabilizing the cooperation and interaction of the Supreme Soviet and the cabinet and the president and the republics alike.

That is why, that is why, that is why the Supreme Soviet should not be succumbing to this. We are at a stage of very crucial decisions. What is needed is public consensus, what is needed is interaction between the parliament, the president, the cabinet, what is needed is interaction with the republics. Things must only be tackled in this manner. However, if you want to say to us that, well, there is no point in taking notice of the republics, there is no point in taking notice of the position taken by some different social or public forces. Let me tell you then, that in that case you have failed to understand a thing about what has recently happened to us and society over the recent period of time. That is why I am concentrating precisely on this part. I know, I know that the Supreme Soviet is in this complicated situation and I am fully acquainted with your position and, incidentally, I am not accusing the Supreme Soviet. In all aspects the Supreme Soviet has retained a position of sober-mindedness, even though five people here took up 40 minutes, holding the microphones in their hands, and the Supreme Soviet was not even able to react.

I think that Comrade Pavlov, too, would long ago have taken the floor and clarified things. Somehow we can not hear him very well here, as it were. [laughter] I said it to him, to Valentin Sergeyevich, because [applause] because I assure you, there are no major problems between Pavlov and Gorbachev. The fact that we discuss any question—is this not the way it is done among you here in the Supreme Soviet? So, I generally proposed that notice is taken of my opinion, of everything that Pavlov had to say, that the Supreme Soviet, on the basis of its knowledge and experience you have, should voice its remarks and should voice its recommendations to the president and that some aspects should be specially highlighted so that they take them into account and it seems that this emphasis has been made. Everything that remains and is relevant to the president should be conveyed and that is that; that is that. Do not create a problem for us here.

There is currently no reason for an attempt here to foist hysterics on us and on society. Now indeed the whole press has started sounding the alarm and speaking about the latest crisis. Comrades, there has been enough harassing of each other. Let us have more trust and cooperation. If certain goals do not coincide, let us nevertheless adhere to the opinion of the main mass, including in society, the Supreme Soviet and the Cabinet, and what is expressive of concord between the republics, and with this approach tackle the very complex tasks.

If we now begin to get hysterical about any issue, then let me tell you we will waste time. I would say that we are wasting time, but perhaps that is what those people want. After all, they have a task. They have already collected 500 votes. They want a congress and to kick out the president, and so on. All of this you know; and these moves have long been known to us. I am not worried about them. I am not worried.

It is necessary now to work—the people are counting on this—and to strengthen the tendencies both to stabilization and to concord. What they are attempting here to foist on people does not indeed accord with that. Therefore, make the decisions and do not make a drama out of this.

Answers Deputies' Questions

LD2106234891 Moscow Central Television First Program Network in Russian 1901 GMT 21 Jun 91

[Question and answer session between President M.S. Gorbachev and USSR Supreme Soviet deputies at the 21 June session of the USSR Supreme Soviet at the Kremlin in Moscow, chaired by USSR Supreme Soviet Chairman Anatoliy Lukyanov—recorded]

[Text] [Lukyanov] Do you have a question? All right. Microphone number one. [shouts] I will give you the floor presently. Here is the first person to speak. Please, microphone number one.

[Unidentified deputy] Mikhail Sergeyevich, how would you like us to interpret the speech you just made? Is this the end of democracy or what? [shouting]

[Lukyanov] Third microphone.

[Gorbachev] My speech must be interpreted in the following way: Democracy is continuing and nobody will be able to usurp this democracy in order to implement their narrow political calculations. This is my stance. [applause]

[Deputy L.I. Sukhov] Esteemed Mikhail Sergeyevich, I ask whether these resolutions will help anything, to stabilize the situation, no matter how you call us....

[Gorbachev, interrupting] Leonid Ivanovich....

[Sukhov] But....

[Gorbachev] What will help us? What will help us?

[Sukhov] Which ones? The first one, the second, or which?

[Gorbachev] Just a minute. Wait, please wait. What will help us is joint work on the implementation of an anticrisis program, on the speedy signing of the Union treaty and distribution of authority, on arranging interaction between republics and the center, on strengthening the tendency for agreement in society. We must now, in the face of these threats to the economy, to stability, to law and order, get rid of all those narrow political interests, and submit them to the interests of the fatherland. This is not just a phrase. This is precisely how the issue stands now, and precisely the way it stood once. We are now recalling that day. [reference to the anniversary of the USSR entering World War II] Therefore, the Supreme Soviet.... [changes thought] I just want to say, to finish, to answer your question specifically, that the Supreme Soviet, having voiced a number of businesslike—indeed, there have been quite a few busineslike remarks, requests, and proposals—all this, I think, should be taken into consideration and sent to the cabinet for discussion. That is, we must work and act. All this that has been said must be recorded and passed on, and it must be taken into consideration by all those who will work further on the solution for the anticrisis program.

[Deputy Reznik] Esteemed Mikhail Sergeyevich: I am Reznik, a member of the Supreme Soviet. You know very well that peasants support you. However, over the last decade, not a single resolution or decision on the development of agriculture has been implemented. Please tell me whose powerlessness it is that is manifested here? This is my first question. Second, I cannot agree with the fact that some members of the Supreme Soviet may be, somehow, watching in a kind of a philosophical way as people are perishing in our country. To me there is no difference what their nationality is. Who is going to bear responsibility for this? Who raises questions? Who has the ultimate say in resolving the ethnic issue in our republics and in the country as a whole?

[Gorbachev] You know what? You put the question in such a way, I think, as to note there are authorities at all levels. There are law enforcement bodies at all levels. There is law. They should be observed. There are situations where it is necesary to give help to the center. In one case to a republic's center, in another to the Union one. We do this. There are such situations where differences of opinion appear between us. Some—you, in particular—made the decision to introduce a state of emergency in connection with South Ossetia. But I should say that in the whole study of all these questions from the point of view of anxiety and worrying we do not have differences of opinion, but from the point of view of working out measures and counting up their consequences we sometimes have differences of opinion. In this particular case, we did not go for this, because there is such a state, a state of some hysteria, on the whole, and even of intoxication, in Georgia. This could have blown up the whole of Georgia and have led to a confrontation that we could have had. Therefore, we acted step by step. We supported, held back, restrained, and warned—and by this, somehow, wanted to keep the situation within the framework. But were we resolving it? No. No. It is necessary to continue to deal with this.

Have you been at the peasants' congress? The main questions are as follows: Today we have to do everything to ensure harvesting. Therefore, in spite of any obstacles and local differences, all authorities must help to harvest the crops. Moreover, there are crops in one place that have to be harvested so they can be used in the interests of the whole country, while in another place the situation is not so simple. Therefore, harvesting is the first problem, but the second, which has to be answered immediately, is to finalize the problem of parity between the countryside.... [does not complete sentence] This is the main question. There are many other questions that have to be resolved. You see, what is the situation now? Agricultural workers already demand from Union bodies, including the Cabinet, something that is no longer in its competence. The agricultural sector and food and light industries have been there, in the republics, for two or three years already. Now financing is also there. Capital investments are there, construction organizations are there, construction materials are there—everything is there.

[Unidentified speaker] This is their right, the republics'.

[Gorbachev] Yes, the republics. It is their responsibility as well. I cannot evade and stay on this formal point of view. This has not yet happened and all this is not yet mastered. Moreover, it is connected with equipment and supplies and so on. We need to cooperate and to use these transitional structures. We can not get away from this. We will crawl, will help, and will cooperate. This is such a process, with all its complications, so to speak.

[Lukyanov] Microphone three, do you have a question? There is a question from Deputy Semenov.

[Semenov] Mikhail Sergeyevich, the USSR Supreme Soviet instructed the government to elaborate a program for getting out of the crisis. The government drew up and submitted this program to the Supreme Soviet, and the Supreme Soviet has ratified that program. I believe that this is the program that should be set for implementation. At the same time, the mass media has reported that there is another program—the Yavlinskiy program—which has allegedly been approved by the U.S. President and submitted for your consideration. There is a possibility that this program will be put into action. I believe that such actions are impermissible. Who is trying to mislead us? Either the government tries to misinform us that Yavlinskiy does not have a program, or indeed he has this program.

Now there is something else I want to say with regard to your remark. There is something that some people in this country or in this hall find difficult to bear. I personally find it difficult to bear that the future of my state and my people is being determined somewhere in the offices of the White House. Does Yavlinskiy have this other program or not?

[Gorbachev] Let me answer you. I will reply to all your questions. I will never agree. No matter how much these views are voiced here, there is no justification for them. I will not even try to reply to them. To cast a shadow on the foreign policy and on what this foreign policy has delivered and what it is for—I will be adhering to this policy for as long as I am the president. It has been endorsed, after all, by the Congress of People's Deputies. This is the policy I will be consistently conducting, taking into account the equilibrium of interests. It has already been forgotten that we used to be on the edge of a precipice, on the brink of a nuclear conflict. Had I not thought that the whole economy in this country was geared not toward man but elsewhere, that it was ultramilitarized, and that the weight and the load of these excesses must be removed and geared toward man, I would have believed that my mission and my staying in power was useless. I would have just had to go then.

Therefore, for as long as I am president, I will be conducting this foreign policy, because it is needed by our domestic policy to pursue our ethnic goals. [applause] This is where it originates. Any incompetent judgements that we have allegedly lost this or that battle, that we have given away something for nothing, that this generation [as heard—changes thought] I regard these judgements not only as incompetent but also as demagogic and irresponsible. None of the decisions were adopted by me or Shevardnadze. He had a dozen experts. There are as many as half of them sitting here. There are commissions to act on various issues, including political, economic, military, tactical, and strategic issues. All issues are worked through; proposals are submitted to the president. If the leadership of the country does not enjoy trust on these issues, then one has to open a Novgorod veche [popular assembly] and get the drums rolling. Then I will tell you that we will wreck the whole thing.

When it comes to verification, that is fine. When it is a matter of policy and the political course, that is fine too. Ratification? All right. As for the rest, let people take responsibility. Therefore, no one but ourselves determines the future of our state. But it is also true that whatever we do in this country affects the whole world. We must interact with the American side and try to remove the burden [of armaments] both from the U.S. society and ours on the basis of disarmament. This is also true.

This is not a sacrifice; this is not a capitulation. These are relations based on an equality of rights, relations based on an equality of rights. The strategic balance has not been shaken. But it is a different one. Confrontation is no longer the same. The atmosphere of trust opens up possibilities for progress toward further resolving these problems. But people are not just sitting around here or it is not people sitting here who are swimming around somewhere in a utopia and who do not see the realities either of the world or of the country. This you understand. All of a sudden there are people who know everything, they see everything, and everyone who was making decisions, all of the experts, the institutions, these are all nonsense. They are the great experts. I permit myself these emotional things, as it were, because I do not usually react and will not react, but as I was asked, I have spoken without concealing my not only substantive but also my emotional arguments. Therefore, issues were resolved. I am sure that no one will ever resolve them for us. We must resolve everything. I will move from this bridge to answer the first question.

The burden, the responsibility for the reform lies with us, with us. No one could endure. Listen, we have production funds amounting to 2 trillion. What are the problems? Who will take them on, who will decide for us? We must decide. But we must resolve all problems in cooperation with other countries. How should we cooperate? This is on the basis of what I already consider a new cooperation. This permits, within the framework of the implementation of an anticrisis program, a transition, a reorganizatin of our property, an embarkation on new economic forms of life, the economy to be entered more organically, the rules of the game to be accepted and interaction through the implementation of projects and so on.

But, for this, much still needs to be done. The financial situation needs to be stabilized, the economic situation stabilized, the political situation stabilized, labor stabilized, issues of destatification resolved, and so on. We must resolve all of this.

The fact that a program is being elaborated—well, comrades, you probably do not know everything, although if the economic commissions were taken, they know more. After all, we have a report from the European Bank, we have a report from the IMF—a whole report and an analysis of that program as well. We are sending our programs for examination there. All of these processes are currently underway. Including what concerns the preparations of the G-7. They want to know, to understand (?the terms)—both the partners on the other side and I want to understand. I, Pavlov, and the whole leadership want to understand the situation today, our appraisals, and what will emerge. Hence, it is important for us to see all viewpoints. What kind of cooperation can there be? Let them sit at Harvard, let our people sit, let them sit in Europe. But now all this is accumulating. It is a group sitting that Comrade Pavlov and I conducted. The day before yesterday we were sitting for eight hours about the concept of my meeting with the G-7. There we examined all the options—both those that come from Harvard, where Yavlinskiy took part, those that come from the Bank of Italy and so on, and those that come from the Monetary Fund, but mainly, of course, our own. I must say it is fortunate that there were no great divergences between our anticrisis program and what these people propose, the various centers. Practically none. There are several points. Yesterday Mr. Attali said, when we met, there are a couple of points that you have not yet really studied thoroughly. The main thing is that you have got to decide on stabilization of finances, Comrade Kucherenko, and convertibility of the ruble. Yesterday Comrade Pavlov and I did as follows. This is also as if we are not acting in the ordinary way, but that is now normal. Yesterday Valentin Sergeyevich and I agreed before Mr. Delors arrived—a very important man, a former finance minister who has headed the European Community Commission for several years now, and most importantly, a man with whom we have very fruitful cooperation—yesterday, Comrade Pavlov brought the whole cabinet together, with the participation of the prime ministers, the leaders of the governments of the republic. They gave the floor to Delors. Valentin Sergeyevich told me in the evening that they kept him on the platform there for two and one-half or three hours, and he asked them to let him go. Although we are not in a capitalist system, nonetheless we exploit worse than there. That was the slogan, as it were, that the participants responded with. So there is a normal process underway. Comrades, you should not suspect that the present leadership is not a patriotic leadership, that it has, you understand, lost contact with reality, that it needs to understand, that it is a hostage of some sort of missionary ambitions, and, what is more, that it is willing to go about the world with a begging bowl and so on. Rubbish! That is all fabrication. Both from Comrade Alksnis' corner and from the most left-wing corner, you hear that demagogy is going on, and our people are swallowing the bait. Swallowing the bait. Swallowing the bait. Take the leftwing press: What has it been writing for the last two [as heard]? That Yeltsin has gone off on his trip, so he will be in favor of interaction. What about Gorbachev? He is holding out the begging bowl. He is going to them with requests, requests, as it were, bowing and scraping, humiliating the country, humiliating us all!

This is political gimcrackery. These are methods that some press organs use. Comrade Poltoranin, where are you? Listen to this so it may help you to govern the press. Is this cheap stuff for you? This is bait to catch you on this hook. Personally, this does not worry me. I feel confident and will implement this line of action. I have already said this in public from this rostrum in my speeches: We must constructively unite all the creative forces in the country but not play into the hands of somebody's position.

[Deputy Umarkhodzhayev] Deputy Umarkhodzhayev. Esteemed Mikhail Sergeyevich, in relation to the new situation that has occurred in our country, how do you now see the role and the part the Supreme Soviet plays in the signing of the Union treaty and, after the signing of the Union treaty, in the adoption of the USSR Constitution?

I would like to hear about the role the Supreme Soviet plays and its place in this complex process.

[Lukyanov] If you have nothing against it, could you please answer this question? Please. Attention please, comrades.

[Gorbachev] I know that this is one of the issues that on the whole has caused such confusion and anxiety in the minds of the members of the Supreme Soviet. It is this that fuels and makes the position radical and even distorts it on many issues. This has an influence on its work. I think that everybody should stay calm and work in a normal way, because a complex process, a very complex process, is under way. This is true even for that draft that I distributed on behalf of the preparatory committee recently. I have already received information from here—the Supreme Soviet—that this is a surrender of positions, that this is the disintegration of the Union. This is one thing.

As for the information that is coming in from some republics, it is of a different nature: that this is the same bureaucratic centralism, the same unitary state is being confirmed in this draft, and that is why there is no progress.

I must say that neither one nor the other, generally speaking, can be rejected from the point of view of having them discussed, but they do not reflect the truth. Generally speaking, the present draft of the treaty is a new situation. It is an unusual one, yet it reflects the change of reality precisely in this most complex and most important sphere. I think that we should take into consideration that we should avoid what always happens in our country when we throw ourselves from one extreme position to another in solving important issues. We had a unitary and bureaucratic machine that did not give any breathing space to the republics. In relation to this, it produced negative effects. On the other hand, while getting away from this, we should not come to a point where this state that has been formed during a thousand years, where all human destinies, the economic destinies, everything, scientific and cultural links, everything has already become one, where they have become interwoven in a complex way.

This means we must not destroy it all, or pull it apart. Therefore, the dialectics consist of the fact that we need both strong republics and a strong, new union center that will fulfill its function in the interests of all the peoples of this multiethnic state. I stand on this position as a matter of principle, and if I did not see it in that draft, I would not have signed it. I will not sign it if somebody tries to smuggle through a different version, because this contradicts not only the interests, but this contradicts the very logic of the formation and development of this state. If someone wants to pull it apart, then he needs a different draft. However, at the same time, I would not agree that, as some insist, this draft should be rejected, and we should live in accordance with this constitution, with these...[changes thought] there is no way for us to do it. Don't you see how we live? We can hardly live any longer. Therefore, solutions must be found. Therefore, I am in favor of this draft. When the comrades will be discussing it—I do not want it to be now—you will also look at it in more detail—there will probably be reports, meetings—we can then further discuss these issues such as the Supreme Soviet, the future of the Supreme Soviet, of the congress, of the president, and of the present cabinet. I also think that this process will involve republics as well, because it involves the whole country. It will develop the way it should; that is, there will be the signing of the treaty; then there will be elaboration. Presumably the congress will have to expand the Constitutional Commission. The commission will have to work and prepare the constitution, by taking into consideration all that we have achieved and all that we are adopting in that treaty. After the elaboration, we must have a discussion somewhere here and exchange, find forms. All this we will determine later. We must address the society, the society. When we have discussed everything, then we must adopt and ratify. Finally, we need a law on new elections, because there is a rather complex question there, that of the quota, of different approaches to the formation of the bodies. It is also a very complex law, a new one. After that, we will approach the elections. So, everything must be done carefully. Now, and this is written down in the draft treaty, over the transitional period, there must be continuity of all the constitutional bodies that are operating now—that is, the congress, the Supreme Soviet, the president, the cabinet, and so on—we are all of us together in it, so to speak, and we will be dealing with these issues.

PRAVDA Reports Session

PM2306202591 Moscow PRAVDA in Russian 22 Jun 91 Second Edition p 2

[TASS report: "M.S. Gorbachev: More Trust and Cooperation"]

[Text] A joint sitting of the USSR Supreme Soviet chambers began in the Kremlin on a special note 21 June—on the eve of the 50th anniversary of the beginning of fascist aggression against the USSR. A.I. Lukyanov, chairman of the Union parliament, turned to the lessons of the past, which are now becoming topical. He stressed that fascism was routed thanks to the sociopolitical unity of all society, patriotism, and faith in the fatherland. The cohesiveness, friendship, and mutual understanding among the peoples of the USSR laid the foundation for the victory over the enemy.

Deputies honored the memory of the 27 million Soviet people who died in the war with a minute's silence.

A speech by USSR People's Deputy Marshal of the Soviet Union S.F. Akhromeyev on behalf of a number of parliamentary committees was devoted to the feats of the USSR's peoples during those fiery years.

In connection with the historic anniversary the country's Supreme Soviet adopted appeals to the Soviet people and to the world's parliaments and peoples.

Deputies then moved on to questions on the current agenda and, in particular, returned to discussing the prime minister's report on the sociopolitical and socioeconomic situation in the country in which he raised the question of granting the government additional powers. Let us recall that the week-long debate well and truly shook the emergent accord among members of the Supreme Soviet in the face of the impending crisis in the country. Two draft resolutions which, according to the leader of the working group that prepared the text of the documents, are the result of a compromise between those who support and those who oppose granting the Cabinet additional powers were submitted for deputies' attention. A brief debate showed that these compromise drafts by no means suit all parliamentarians. USSR President M.S. Gorbachev took the floor at a tense moment in the discussion.

The president assured deputies that, despite being busy, he had had an opportunity to obtain information about the course of the discussion of these question. The Union parliament's profound interest in such an important problem is understandable since it attests to the Supreme Soviet's keen links with what the Cabinet of Ministers, the executive, is doing. This link existed in the past and should continue to do so—we will get nothing without cooperation and mutual understanding.

Everything that our comrades have said here regarding our successes and failures in certain important areas of our policy, particularly in the sphere of forming the

Union budget, reflects the present, quite difficult realities. The proposals, comments, and criticism deserve to be taken into consideration by both the president and the Cabinet of Ministers. Therefore in principle I am not casting doubt on your desire to exchange opinions of the situation in the country, especially since you have recently visited your [electoral] districts. We must cooperate vigorously in this situation.

As for the Cabinet of Ministers, M.S. Gorbachev continued, it operates within the framework of the course toward radically renewing society and enjoys the president's full support. There is no crisis in our relations with V.S. Pavlov and I hope that there will be no such crisis although you realize what a burden of responsibility the executive bears today. I do not divorce myself from this responsibility either since I head the executive.

The formation of the Cabinet of Ministers is virtually at an end and new approaches to work are being sought at the same time. I must say that the Cabinet is operating in a difficult situation. Socioeconomic tension, expectation of changes for the better, and intolerance are at a peak. The implementation of the anticrisis program requires tremendous intellectual work in a matter of weeks. Things are complicated by the fact that new relations are taking shape between the republics, talks are under way regarding separation of competence, and hard-currency questions are being resolved as a matter of urgency, along with problems relating to the development of basic sectors common to the [entire] country.

The president stressed that he fully supports the efforts made by the Cabinet of Ministers and personally takes part in its sittings when strategic questions are discussed in conjunction with the republics.

I am getting to the main issue here: Now that a tendency toward public accord and constructive cooperation has emerged, the people clearly do not back those people who are trying to perturb and wreck the situation. This mood is understandable since we have reached the stage where procrastination is akin to death. But it is strange that, when the Cabinet is beginning to cooperate outright with the parliament in order to progress in all areas and above all implement the requirements of the anticrisis program, there are people whom, by and large, this does not suit. Not only here at the Supreme Soviet, but also in the mass media and at Central Committee plenums. They are everywhere behind the scenes, trying to impose their opinion and advance their policy. Having characterized the actions taken by Deputies Alksnis and Blokhin as designed to destabilize the cooperation and interaction between the Supreme Soviet and the president and between his Cabinet of Ministers and the republics, M.S. Gorbachev urged the Supreme Soviet not to succumb to these destructive tendencies.

We are faced, he said, with crucial decisions that are impossible without accord, without clear cooperation, including between the republics. Anyone who does not take this into consideration has obviously failed to realize what has happened to us and to society of late. I am of course referring to the stance held by individual comrades and am not leveling accusations at the entire Supreme Soviet, which by and large retains commonsense positions.

M.S. Gorbachev iterated that there are no grounds for dramatizing the situation in connection with the Cabinet of Ministers' appeal for additional powers and proposed that the latter be told of the comments and wishes voiced during the debate on the issue under discussion. There is no need to create problems here, there is no reason now and no need to allow hysteria to be foisted on and introduced into society. The press has already put a sensation in circulation: Help, another crisis! That's enough, comrades, of pestering one another. A little more trust and cooperation. If some approaches do not coincide, let's hew to the opinion held by the main mass—society, the Supreme Soviet—and perform our complex tasks on that basis.

A voice from the hall after the president said this indicated that not everyone had perceived the call for prudence. Doesn't this speech herald the end of democracy?—one deputy asked.

"My speech should be understood as saying that democracy is continuing and no one will succeed in usurping it in order to realize their own narrow political calculations," M.S. Gorbachev stressed.

"Will these resolutions help to stabilize the situation at all," Deputy L.I. Sukhov asked.

"Leonid Ivanovich, we will be helped by joint work to implement the anticrisis program, to sign the Union Treaty most speedily, to distribute powers, to establish cooperation between the republics and the center, and to strengthen the trends toward accord in society. In the face of threats to stability in the spheres of the economy and law and order narrow political interests must be subordinated to the interests of the fatherland. These are no mere words, that is how things stand. As it did on the day that we are remembering today. That is why I reckon that cognizance must be taken of the businesslike, concrete comments and demands voiced by the Supreme Soviet and they must be sent to the Cabinet for consideration. I have tasked the Cabinet with preparing a meeting of leaders of the entire executive—Union and republic—in order to assess how we have spent the six months since the signing of the economic agreement and the agreement on food and how things now stand in the sphere of finance, production, trade, etc. We are analyzing the situation, preparing estimates and forecasting how events will develop.

"So, we need to work and act. Everything practical that has been said here must be taken into consideration by the people who will be implementing the anticrisis program."

Deputy A.I. Reznik asked two questions: Who should bear responsibility for people dying in interethnic conflicts? Whose fault is it that the decisions to develop agriculture and provide people with food are not being carried out?

M.S. Gorbachev: There are situations where the center has to come to the rescue. In one case the republic center, in others the Union center. That is what we are doing. There are situations where we disagree. In particular, when you decided to introduce a state of emergency in connection with the situation in South Ossetia. We do not disagree with you from the viewpoint of the general alarm over this problem. But from the viewpoint of taking into consideration all the consequences in this particular instance we did not agree to introduce the state of emergency because this step, in view of the republic's psychological state at that time, could literally have caused the whole of Georgia to explode and increased confrontation. That is why we acted gradually: We held back, gave warnings, and tried to keep the situation within a definite framework. The problem has not been settled, the quest for a solution must be continued.

As for the food question. You attended the peasants' congress, after all, you know my stance. In view of this congress' decisions V.S. Pavlov and I have set up a prestigious commission which we will invite you to attend. We will look at things point by point. The main issue is this: Everything must be done today to safeguard the harvest despite all the barriers and local differences, all authorities must help bring in the harvest. Second: The problem of parity between town and countryside must be settled immediately. Agrarian workers are making demands on union organs, including the Cabinet, that are no longer within their competence. The agrarian sector, along with food and light industries, all fall within the republics' competence. It is their right and their responsibility also. Nevertheless during this transitional period cooperation is necessary. You cannot get away from it, we will help [Gorbachev ends].

The president was asked to explain the situation linked with the claims that have appeared in the mass media that, alongside the government's anticrisis program which has been approved by parliament, there exists Yavlinskiy's program. Does the country's leadership really intend to give precedence to the latter program, one deputy asked, bolstering his question with a protest at the "White House's deciding" our country's fate.

M.S. Gorbachev: I will never agree with the attempts to cast a slur on our foreign policy and the fruits of this policy. As long as I am president, I will cleave to this course; it has been approved by the Congress of USSR People's Deputies, and I will consistently implement it. All the talk saying that we have given away for nothing something that it has taken generations to win constitutes not merely incompetent, but demagogic, irresponsible opinions. No decision was adopted by Shevardnadze or myself alone. Dozens of experts are involved, there are political, economic, and military commissions at work, etc. All proposals are studied, submitted to the president—previously to the Politburo and the Defense Council—and examined, only then are particular steps taken. We would submit a counterinitiative—that was the case and that will be the case. Is control necessary? Yes. What about ratification? Yes. We bear responsibility for everything else.

So, our country's fate is not decided abroad. Events in our country do indeed affect the whole world. The fact that we must cooperate with the U.S. side, lifting the burden from both our society and American society on the basis of disarmament, is not open to doubt. This is no one-sided sacrifice, no capitulation, but a matter of equal relations. Equal! The strategic balance is unshakeable, but it is already different, confrontation is not what it was, there is an atmosphere of trust and opportunities are opening up for us to progress in resolving these problems.

Moving on to economic problems, M.S. Gorbachev stressed the exceptional difficulty of resolving problems arising from the reform of property relations. We bear the burden of responsibility. Who would undertake to resolve these problems for us. But we must do this by cooperating with other countries. How? On the basis of a new cooperation that makes it possible, within the framework of the anticrisis program, to achieve new economic forms of life and integrate more organically into the world economy. A great deal still has to be done in order to achieve this—the economic and political situation must be stabilized, along with labor, and questions of destatization resolved. We, you, and I, must resolve all this.

The day before yesterday we spent eight hours examining the concept for my G-7 meeting. We examined all the options—those from Harvard, in which Yavlinskiy took part, and those from the European Bank for Reconstruction and Development [EBRD] and from the IMF. And, naturally, the main options—our own. I must say that there are no great differences between our anticrisis program and the above proposals. There are a few points. Yesterday Mr. Delors, chairman of the EC Commission, said: There are two points that you have still not really studied—stabilization of finances and ruble convertibility. This prominent authority in the EC and on world economic policy addressed a Cabinet sitting attended by the republics' premiers and leaders. So, a normal process is under way.

The incumbent leadership must not be suspected of being unpatriotic or hostage to any missionary ambitions, much less of being ready to go to the world with cap in hand. That's all rubbish and conjecture and emanates both from Deputy Alksnis and from the, so to speak, most "left-wing" corner. There is demagogy at work and some people are swallowing the bait. Over the last two days the so-called left-wing press has written that

Gorbachev is supposedly kowtowing and humiliating his country. These are cheap political gibes and I am not worried by them. I feel confident and will pursue the constructive line of uniting all constructive forces in the country rather than playing into the hands of anyone's position [Gorbachev ends].

Deputy M.I. Umarkhodzhayev asked the president how he sees the Supreme Soviet's role in connection with the coming signing of the Union Treaty.

This is one of the problems, M.S. Gorbachev said, that I think has confused and alarmed the members of the Supreme Soviet. It is necessary to keep calm and work normally because a very complex process is under way. See, even the fact that I distributed the draft treaty a few days ago on behalf of the drafting committee was described by some people as "surrendering positions" and causing the Union to break up. Other voices were heard from the republics: "It's the same old bureaucratic centralism, the same unitary state, there's no progress." Both positions can not of course be rejected.

One must remember by and large that the current draft treaty has created a new, unusual situation, but it reflects changing realities—in a highly complex and important sphere, moreover. We must bear this in mind, without going from one extreme to the other when resolving major tasks. Certainly, we had a unitary bureaucratized machine which deprived the republics of oxygen and retarded overall development. On the other hand, in moving away from this, we must not destroy a state that has formed over 1,000 years, where all human destinies have become interwoven and everything has become unified. Were I not convinced that the state now needs a new strong center that would function in the interests of all the peoples of our multiethnic state, I would not have signed this draft.

In conclusion the president proposed that the USSR Supreme Soviet attentively discuss the draft treaty in conjunction with the republics' parliaments.

V.S. Pavlov took the floor in the debate that unfolded following the president's speech. He stressed that there was no question of emergency powers for the government, but the question was raised of resolving problems more promptly. The premier indicated that the government has no conflicts with the president. The anticrisis program has resolved political questions that are today regarded as being of paramount importance. We have implemented it, we are implementing it, and, I hope, we will implement it in conjunction with the president, the premier summed up.

Despite the explanations given by state and government leaders, the discussion assumed an emotional character. The USSR Supreme Soviet draft resolution on the socioeconomic and sociopolitical situation in the country based on the USSR Cabinet of Ministers' report was the first to be examined by deputies. Although the document has not by and large received the approval necesssary under standing orders the session still began discussing it article by article during which process many comments and amendments were put forward. One item of the resolution failed to win the support of the requisite majority. As a result an unusual situation took shape for the parliament: It was decided to come back to examining the document later since it had not been wholly approved and had one point unratified.

However, the controversy frequently went beyond the text of the documents. A clash between two diametrically opposed approaches clearly emerged in the course of this. Some people thought that order should be restored in the economy and society by strict observance of the laws, without precluding the use of military force. On the other hand, the voices were heard of people supporting the idea that accord and civic dialogue constitute a real force for resolving painful problems.

Deputies then moved on to the second draft resolution—on the USSR prime minister's proposals regarding questions of the Cabinet of Ministers' up-to-the-minute activity and its lawmaking powers. Here the debate became acutely emotional. You often got the impression that the speakers were prey to their own feelings and prejudices with no great desire to heed or soberly assess their opponents' arguments.

Joining the debate, M.S. Gorbachev raised the following question: Why is the Supreme Soviet not paying attention to the president's statement to the effect that there are no problems and no crisis in the work of the Union executive? All the difficulties are due to the special features of the moment. There are no problems—human, political, or otherwise—between the premier and the president. The prime minister said the same thing.

After all this, M.S. Gorbachev continued, some people would like to drive a wedge between the president and the premier. According to the speaker, this line is being developed in the press and among various audiences for provocative purposes. Who needs it? Will the Supreme Soviet really allow itself to be drawn into this totally unnecessary process that has been initiated by a narrow group of people?—the president asked. It is not a question of the "Union," he explained, let these people not hide behind the "Union." The president noted that the authors of this process which has been initiated by a narrow group of people can be heard everywhere: on all the [radio] "voices," in the world's newspapers, and at all manner of gatherings. M.S. Gorbachev warned the Supreme Soviet against getting involved in this process. He proposed cancelling the discussion of the second resolution which talks about the premier's proposals since the first resolution mentions conveying deputies' remarks in this connection to the president for his consideration.

A.N. Saunin, representing the working group preparing the texts of the resolutions, voiced amazement at the situation that has taken shape. In his opinion, V.S.

Pavlov should have cancelled the question. If the president considers the question exhausted, the working group also shares this viewpoint and reckons that a draft resolution as such is unnecessary.

Parliamentarians resolved to cancel discussion of this document.

In the recess between sittings A.I. Lukyanov and people's deputies, including participants in the Great Patriotic War, laid a wreath on the Tomb of the Unknown Soldier. A scarlet ribbon bore the words—"Eternal glory to those who died in the battles for the freedom and independence of our homeland. The USSR Supreme Soviet."

In the recess between sittings M.S. Gorbachev was literally bombarded with questions from foreign journalists. Many people were interested in what political baggage he will take with him to the coming G-7 meeting. The president said that he will submit proposals in London that synthesize the USSR Cabinet of Ministers' program, the "Harvard Program" put forward by Yavlinskiy and U.S. economists, along with recommendations from the IMF and the EBRD. All these programs coincide in very many respects and do not contain insuperable contradictions. M.S. Gorbachev stressed the inadmissibility of setting the "Harvard Program" against the program put forward by V.S. Pavlov's Cabinet. The president told correspondents that work has begun at the government's residence—Volynskoye—under his leadership and with V.S. Pavlov's participation on a concept for the proposals that will be submitted to the "Seven" at the coming meeting in London.

After heated debates in the afternoon the session's evening sitting was notable for its sluggishness and disappointment. One deputy asked frankly: Won't the parliament lose trust after what's happened today? It has, after all, effectively spent three days in idle discussion of a question that has not been studied or coordinated. The upshot was that it was decided to cancel consideration of the first draft resolution based on the Cabinet report.

However, the end of the difficult day before the weekend was filled with extremely concrete substance in the parliament. Deputies agreed to the USSR president's appointing L.D. Churilov as minister of the oil and gas industry.

In conclusion the draft law on agreements and collective contracts was presented in its first reading.

Pavlov Says 'No Disagreements' With Gorbachev

LD2106145191 Moscow All-Union Radio First Program Radio-1 Network in Russian 1200 GMT 21 Jun 91

[Excerpts] At the session of the USSR Supreme Soviet: Over to the all-union radio correspondents' post at the Kremlin. At the microphone is Vladimir Korablev.

[Korablev] [passage omitted] The deputies have concluded their consideration of Prime Minister Pavlov's information report on the social, economic, and political situation in the country. I shall remind you that, at the request of the parliamentarians, Valentin Sergeyevich Pavlov delivered it in parliament on Monday. For three days, the deputies held quite a stormy debate over extending the rights of the Cabinet of Ministers.

There was also a sharp debate today during the discussion of a draft decision of the USSR Supreme Soviet on the social, economic, and socio-political situation within the country. Mikhail Sergeyevich Gorbachev addressed the sitting of parliament. [passage omitted]

Then Valentin Sergeyevich Pavlov spoke. He noted that recently the mass media had been sharply inflating the cabinet asking parliament for some exceptional powers, and that there were serious disagreements between the prime minister and the president. Valentin Sergeyevich Pavlov noted that the Cabinet of Ministers and he personally have no disagreement with the country's president.

Mikhail Sergeyevich Gorbachev also maintained this position in his speech. He stressed that there was no crisis in the union government, and there was no disagreement between the prime minister and the president.

In the afternoon and in the evening sitting the deputies will continue to examine the second quesiton on the agenda for today's work of the fifth session of the Supreme Soviet. They will consider the draft fundamentals of criminal legislation of the USSR and the republics. This draft will be given its second reading.

Pavlov Request Removed From Agenda

LD2106153691 Moscow TASS International Service in Russian 1444 GMT 21 Jun 91

[Report by TASS parliamentary correspondent Vladimir Isachenkov]

[Text] Moscow, 21 Jun (TASS)—Today the Soviet parliament removed from the agenda the request by USSR Prime Minister Valentin Pavlov on granting the government the right of legislative initiative for 1991 "to solve promptly issues related to the implementation of the anticrisis program." A total of 262 deputies voted for, 24 against, and 21 abstained.

This event took place after Mikhail Gorbachev made an emotional speech accusing the leaders of the "Soyuz" group of deputies of an attempt to create an illusion of conflict between the president and the prime minister and demanded that the issue of cabinet powers should be left at his discretion (According to the constitution the president is the head of the executive).

Talking to journalists in an interval between sittings of parliament, Mikhail Gorbachev stressed that "there is no conflict either on a fundamental or a personal level" between him and Valentin Pavlov. He levelled sharp criticism at Yuriy Blokhin, Viktor Alksnis, and Yevgeniy

Kogan, leaders of the "Soyuz" group, who, while supporting the prime minister's request, justified their position by alleging that the USSR president "is incapable of using the powers granted to him by parliament for stabilizing the situation in the country."

Mikhail Gorbachev accused the "Soyuz" leaders of seeking to undermine the trend toward accord which has emerged in society and to destabilize relations between the USSR Supreme Soviet, the president, and the Cabinet of Ministers.

The prime minister himself said in a short speech that he had requested additional powers from parliament so as to tackle the issues of economic reform more effectively, not because of any conflict with the country's president. He agreed completely with the view expressed by Mikhail Gorbachev and did not insist on a vote on his request to be granted additional powers.

The Supreme Soviet confined itself to adopting a general resolution on the prime minister's report on the situation in the country, which notes that, "in spite of the constitutional rights possessed by the USSR president and the USSR cabinet of ministers and the additional powers granted to the president, measures to implement the laws, decrees, and resolutions adopted are being carried out too slowly and inconsistently".

Marshal Akhromeyev Speech Defends Stalinism

LD2106230691

[Editorial report] Moscow Central Television Second Program Network in Russian at 1854 GMT on 21 June broadcasts a 22-minute speech by Marshal of the Soviet Union Sergey Akhromeyev, adviser to the USSR president, at the USSR Supreme Soviet session in Moscow.

Akhromeyev begins his speech by noting that events are now taking place rapidly in the country. He goes on to say that enormous vital strength and patriotism was demonstrated in the first months of war, when millions of Soviet people were under occupation. But the Soviet people withstood fascism, and six months after the invasion the German forces were dealt counterblows. There are times in the lives of states like this, he says, and the present period will probably be seen as such a critical period. Since 1985 the period before the Great Patriotic War has not been critically analyzed, but simply discarded and denied, whereas before then it was universally praised in our country.

Akhromeyev continues: "An assessment of the 1920's and 1930's is causing sharp disputes in our country. If, before, this period was one-sidedly glorified, then after 1985 it has not been objectively researched and not analyzed, but disclaimed wholesale by certain forces. However, in the complex, hard life of those years there was no one-sidedness. After the Civil War, on the initiative of the Communist Party, the construction of a socialist society began in Soviet Russia. The Russian working class adopted Lenin's teaching on the construction of socialism in Russia as their vital cause, and with the introduction of the New Economic Period a practical path to construction was found as well. The working class and the poorest peasants were ready to make any sacrifices to achieve this objective. A new generation of communists and members of the All- Union Leninist Young Communist League grew up—millions of people, brought up as Leninists, profoundly devoted to socialism. Over a period of 12-15 years, the poor peasants in the countryside and youth, leading behind it the majority of the Soviet people, carried out industrialization and collectivization. Our society was transformed."

Akhromeyev goes on to say that in the 1930's the Soviet Union took first place among the industrial nations in Europe. In 1941 the Soviet Union had perfected KV tanks and progressive planes. Now this is cynically denied. Akhromeyev says he grew up in the 1930s and remembers the creative achievements of labor.

"By the efforts of the Soviet people, by the end of the 1930s in our country a fuel and power complex, metallurgy, and modern mechanical engineering had been set up. With regard to its volume, the Soviet Union occupied first place in Europe," he says.

"Enormous attention was devoted to the country's defense. Suffice it to say that just during the first six months of the year before war, 400 KV heavy tanks and 1,610 T-34 medium tanks were manufactured. By 1941 all those new models of aircraft which then carried out combat actions during the course of the whole war had been created, tested, and adopted as weapons. The Soviet Union was becoming a powerful economic state. The cultural revolution had been carried out in the country. A new intelligentsia from the people had been cultivated. Today this is disclaimed," Akhromeyev states.

At the same time, he notes, there was the downside of Stalinism: force and repressions, which began in the 1920s, and collectivization. The officer corps was decimated in the 1930s. But not all that was done in the 1920s and 1930s can be portrayed as destructive.

"Whatever is said today, the nonaggression treaty between the Soviet Union and Germany of 23 August 1939 was correctly concluded, in the interests of the 170 million Soviet people. It delayed Germany's aggression against the Soviet Union by almost two years. Soviet diplomacy managed to remove the threat of war on two fronts, by achieving the conclusion of a nonaggression treaty with Japan in 1941," he says.

Akhromeyev goes on to note that in 1941 an improvement in Soviet-U.S.-British relations occurred. By May, Siberian armies were preparing to move to Moscow. However, Stalin misread his German neighbor and did not believe that Hitler would start a war on two fronts. The Soviet troops remained in their peacetime positions, while the Germans were put on war alert. In other words, Akhromeyev says, Hitler's combat readiness won him the beginning of the Great Patriotic War before it had started. Hitler's plan was thoroughly prepared to destroy the Red Army in six months. The Red Army withdrew from Lithuania and prepared to defend Leningrad. In August the blockade of Leningrad was complete, but Leningrad did not fall. On the western front, the Wehrmacht marched on Minsk. Mogilev and Brest showed resistance but did not turn the tide. Battles lasting two months were waged at Smolensk. On the southwestern front, the Red Army determinedly defended Kiev in mass tank battles, Akhromeyev continues. Odessa fell and the Red Army suffered terrible losses, but the Wehrmacht plan was disrupted.

On 1 October, Akhromeyev says, the Germans pushed through Smolensk in the direction of Moscow. Moscow did not fall and the Germans exhausted themselves. The Soviet Supreme Command managed to concentrate its strategic reserves, and counterattacks were launched around Moscow, Kerch, and Rostov. The Germans lost many men and much materiel, Akhromeyev states.

By 1941 Germany had conquered the whole of continental Europe, but only we fought back, he says. Of course, Stalin and his staff made mistakes before the war, but they learned fast from these mistakes. Now people paint the whole picture black, he says.

Veterans of the frontline wonder how the present generation would have coped then, Akhromeyev says. It was a great achievement to roll back the Germans, and it was carried out by Stalin, Shaposhnikov, and the General Staff which contained generals of all ethnicities.

Akhromeyev goes on: It is slander to say that battles were only won by numerical superiority and despite the ignorance of Soviet commanders! It is wrong to blame all party members for the first defeats! We members of the All-Union Leninist Young Communist League joined up at the beginning of the war and more than 500,000 party members were taken prisoner in the first six months.

Akhromeyev concludes by stating that in November and December of 1941 the Red Army struck the Wehrmacht powerful blows.

Political & Social

Gorbachev Describes Proposals for G-7 Talks

LD2106151891 Moscow TASS in English 1459 GMT 21 Jun 91

[By TASS parliamentary correspondent Vladimir Isachenkov]

[Text] Mosow June 21 TASS—President Mikhail Gorbachev said in a talk with journalists in the Kremlin today that he would present to the leaders of the seven major industrial nations proposals synthesising the anti-crisis programme of the USSR Cabinet of Ministers, the Harvard Programme elaborated by Grigoriy Yavlinskiy and American economists and also recommendations by the World Monetary Fund and the European Bank for Reconstruction and Development.

Gorbachev stressed that "there is much common ground and no insurmountable disagreements" between all these projects. He said it was inadmissible to oppose the Harvard programme and the programme drafted by the government of Valentin Pavlov.

"It will be the programme of the president with which I will go to London," Gorbachev said. "There are no contradictions between the anti-crisis programme and the blueprints brought by Yavlinsky. Those who want to pass off the first as misconception and the second as brilliant foresight mislead society and provoke misunderstanding and clashes," he said.

Gorbachev also rejected attempts to draw a parallel between the present situation and the "clash" of economic programmes last autumn. "There is talk that Gorbachev is engaged once again in the old business when he tried to combine the 500-days programme with Ryzhkov's package of reforms. A premature baby was born then in the form of the main guidelines. This is a journalistic image that presupposes weak arguments and poor expertise. We had to cover this stage: Society was ill-prepared, no answers were available, we had to find the common mainstream of movement. We are now reaching a stage when direct action will be taken," Gorbachev said.

Gorbachev said that work on proposals to be presented to the G-7 leaders at their forthcoming meeting in London had already begun at a government residence in Volynskoye, near Moscow. This work is being carried out under his guidance and involves Prime Minister Valentin Pavlov.

Commenting on the results of the discussion in the USSR Supreme Soviet of Valentin Pavlov's request for extending part of the legislative powers to the Cabinet of Ministers, Gorbachev stressed that "there was no conflict between the president and the prime minister in principle, human nor organisational terms." He accused several representatives of the Soyuz group of deputies of attempting to create a semblance of such a confrontation "for their narrow-minded purposes".

AFP Reports Gorbachev-Pavlov Conflict

AU2106113891 Paris AFP in English 1128 GMT 21 Jun 91

[Report by Paola Messana]

[Text] Moscow, June 21 (AFP)—Soviet President Mikhail Gorbachev, assailing Communist Party diehards in parliament, on Friday forced his prime minister to back down on his demands for special powers to govern.

Mr. Gorbachev counter-attacked in parliament ahead of a planned vote on Prime Minister Valentin Pavlov's request to transfer some of the president's special powers to himself, which reformists see as a conservative bid to push aside Mr. Gorbachev. But the resolution finally presented to deputies called on the president, rather than the parliament, to decide on the special powers transfer.

It also contained a concession to Mr. Pavlov, however, by proposing that the next session of the full-scale parliament decides on whether to give the government permission to table legislation. At present, legislation is tabled by parliamentary commissions working with the government.

Mr. Pavlov first asked for the power transfer on Monday in a speech which poured cold water on plans to introduce a free market economy in the Soviet Union. Reformist deputies saw the move as a constitutional coup being mounted by conservative hardliners.

The powers would allow Mr. Pavlov to bypass the republics to push through legislation, which runs counter to the relationship between the centre and the republics planned under a new draft Union treaty.

Mr. Gorbachev has negotiated the new treaty with nine of the 15 republics, including Russia, led by the radical reformer Boris Yeltsin.

The Soviet leader, making his first appearance in the Supreme Soviet for some weeks, accused leaders of the hardline Soyuz group, Yuriy Blokhin and Colonel Viktor Alksnis, of attempting to "destabilise the cooperation and coordination" between parliament, the government, and the republics.

But he also assured deputies that there was "no crisis" with Mr. Pavlov, who asked parliament for the emergency powers without first informing the president.

Mr. Pavlov's stand had also won the support of prominent conservatives including Interior Minister Boris Pugo, KGB chief Vladimir Kryuchkov, and Defence Minister Dmitriy Yazov, Mr. Blokhin confirmed to journalists Friday after denouncing Mr. Gorbachev's personal attack against him.

Some Soyuz deputies have demanded a special session of the Congress of People's Deputies, the only body competent to modify Mr. Gorbachev's state functions, to fire the president.

They want him removed on grounds of "violating the constitution" by engaging in the negotiations with the republics.

Responding to critics accusing him of allowing Soviet foreign policy to be made in Washington by seeking Western help for economic reform, Mr. Gorbachev said that "our fate is decided nowhere else than in our country." He stressed that he would continue with his current pro-western foreign policy line, "because we need it domestically".

He complained that the current Soyuz campaign was "making us lose time, but that is doubtless what they want, we have known that for a long time." But he added: "I am not afraid of them, democracy is continuing and nobody can knock it down, particularly not those defenders of such narrow political interests."

Mr. Gorbachev, who is also head of the Soviet Communist Party, recalled that the party had already tried to expel him as party leader

On Thursday, during a meeting with visiting European Commission president Jacques Delors, Mr. Gorbachev made a scathing reference to "hurrah-patriots...".

He denounced "people incapable of seeing things are they are, who see everything that is going on in the country as a march towards ruin, a slide into capitalist slavery", TASS news agency reported.

Speaking after Mr. Gorbachev on Friday, Prime Minister Pavlov expressed surprise at press interpretation of his request, saying that "it was only a question of the government having the possibility of resolving problems in a more practical way".

He also stressed that he was not in conflict with the president.

Commentary Views Gorbachev Support, Problems

LD2206163791 Moscow Radio Rossii Network in Russian 1130 GMT 22 Jun 91

[Commentary by Igor Goryayev]

[Text] Emotions shown by the USSR president during yesterday's address to the union parliamentarians do not leave any doubt that there has been a mutiny on the ship. But the prime minister of the country did not have anything to do with its instigators. In his speech on Monday, Pavlov simply wanted to raise painful questions more pointedly before the deputies. He was not very accurate in his wording, which was interpreted by somebody as a signal for the mutiny. That being the case, an angry reproach made to the head of the government by the president is quite justified. Pavlov let feeling run high rather than take the floor at the right time and dispel misunderstanding. As Mikhail Gorbachev stated, the cabinet has his full support and, I quote, there are no major problems between Pavlov and Gorbachev. The prime minister himself commented on the situation in the same spirit. Emergency powers were not under discussion in the address on 17 June. He was misunderstood.

The fog has cleared; excellent. True, there was some anxiety in the country for a week or two, but every cloud has a silver lining. This time it revealed itself to society in the form of political evaluation of the pressing issues. This, in the words of the president, is the main thing he wanted to relate to members of parliament.

Now, said Mikhail Gorbachev, a tendency for concord, constructive interaction aimed at stabilization of the situation in the country has appeared in the society. However, stressed the president, there are people who are not happy with this process.

The matter did not rest with just a statement of this fact. The names came out of the president's mouth. Only two names, but this was enough to imagine what forces are trying to destabilize the society and hamper the interaction between the country's Supreme Soviet, the cabinet, president, and the republics.

Like the president, I will repeat with bitterness that People's Deputies Alksnis and Blokhin are not capable of understanding the changes that have already taken place in our society. The mutiny of these and some other well-known figures in the country is indeed akin to hysterics, at the bottom of which lies political selfishness and disregard for the interests of the fatherland.

Yes, there are forces in the country for whom the president is no better than a lump in the throat. They are among the deputies' corps as well as in the CPSU. I believe that having publically declared this, Mikhail Gorbachev has made an irreversible move toward a healthy democracy. Yesterday, answering questions from the deputies, the USSR president also stated that in matters of foreign policy he will not turn from the course taken several years ago. This policy is completely in the interests of our state. All the talk about some lost battles, not enough compensation received, and so on is nothing more than demagogy and incompetence. We stood on the brink of a nuclear catastrophe, the president reminded the deputies, and the economy was starving, being ravaged by the military-industrial complex. Our present openness to the world, our readiness to cooperate are seen by some as capitulation before the West. On the contrary. We ourselves have to develop and carry out the reforms. But there is a chance to do this while interacting with other countries, using their experience in the problems of the market, and using their investment that they can make with the collateral of our own future well-being. We are equal to them only in tanks and missiles, but not in all the rest, he noted.

The week that has stirred all of us is drawing to a close. In a few hours the plane with Russian President Boris Yeltsin, who has made a visit to the United States, will land in Moscow. Here we are OK. Of course, it could be better than this; but thank God, it is not worse.

Pavlov Interviewed on 17 Jun Speech

LD2106105591 Moscow All-Union Radio Mayak Network in Russian 0630 GMT 21 Jun 91

[Interview with USSR Prime Minister Valentin Pavlov by correspondent Valeriy Kiosa; place not given; from the "Panorama" program—live]

[Text] [Kiosa] Valentin Sergeyevich, this week has been eventful, even to judge by our current yardsticks. This includes areas with which the country's government is directly concerned. There have been very many of these events, but, since an unlimited answer is not possible, let us talk today about what virtually everyone is currently interested in and talking about. Shall we start, Valentin Sergeyevich?

[Pavlov] Yes. Time is money, as they say.

[Kiosa] Let us start with an issue currently giving rise to debate and probably will continue for a long time to give rise to debates, contradictory assessments, lack of understanding—in a word, there are many nuances. I have in mind, of course, your speech at the Supreme Soviet at the beginning of this week and your appeal to parliament requesting additional powers for the government. What sort of powers are we talking about, special, additional, or emergency, and in what area?

[Pavlov] What should I tell you? Fine-sounding names have recently been very much in vogue in our country. We are not talking of some sort of new, special or emergency powers and, incidentally, the question of these was not raised at all. Such words were not even uttered in my report. For some reason, you too prefer not to quote or to read it, and everyone begins to invent things.

The point is that we currently have a multitude of problems that need to be tackled urgently and simply as these issues arise. In this sense, the government faces a perfectly specific situation. To implement the anticrisis program, to tackle what I would describe as vitally important tasks, such as the gathering of the harvest, preparing the rules of the game for 1992, it is necessary to adopt prompt decisions—and yet the legislative basis is not there, or else the legislative basis that is in place was created for the old conditions and for the old system. In this sense, we must tackle issues either by adopting the rules which, in our view, should exist in the market economy, or we must wait until this or that parliament adopts the relevant law. Our view is that our present situation is such that to simply wait is to doom things to destruction. In my view, people have grown tired of talking and waiting.

In this sense, the government has requested nothing new. It has simply requested to be allowed to act—taking into account the compressed time-scale—within the framework of the powers already granted by the parliament to the president, subsequently reporting to the president and to the Supreme Soviet. If they fail, to some extent, as it were, to agree with the cabinet's decision, they have a right to disavow these decisions, as it were, or to have them blocked. This, then, is what we have actually been talking about. We have been saying that henceforth we ought to be given the opportunity to act with dispatch.

[Kiosa] Valentin Sergeyevich, let us try to give an example. For what purpose can such powers be found necessary? You have already said a bit, but let us go into more detail.

[Pavlov] A simple example, maybe. You understand that today we must form economic ties for 1992 right now. Our enterprises must know on the basis of what conditions they are to form their contacts: whether to adopt for production this or that [word indistinct] type of goods, delivery obligations. They must know whether to build, whether to invest money in expansion and reconstruction. But for this they have to know at least the conditions of income distribution. The main thing they have to know is the taxation conditions. But today, after all, the tax laws adopted both in the Union and in the republics are already in force; and those laws are, at best, not exactly, as they say, a disaster, but in any case not in accordance even with today's situation, to say nothing of the future.

So, if today we are going to submit to the Supreme Soviet of the Union or of the republics, or to our respective republic governments, draft tax laws, then can we say with confidence when they will appear? Well, at best in October. That's the optimum, if you like. But that means that no enterprise, generally speaking, is going to be able to formulate its investment program before October. Remember what happened last year. The enterprises concluded no contracts until December. Why? Only because they didn't know what the prices would be: whether new prices would be introduced.

The objections have usually been simple: We've given all the powers to the president. But if I may say so, one man can not replace the Cabinet of Ministers. The Cabinet of Ministers is not managing to make and implement these decisions in time. So to place these obligations on the president, in effect, to make him responsible for all the delays in getting the legislative base through parliament, is simply dishonest.

[Kiosa] Tell me please, a question which inevitably arises in discussing this problem: Do the government's powers in question correspond to the joint anticrisis program of the Cabinet of Ministers and the governments of the sovereign republics, and to the draft of the new Union treaty?

[Pavlov] I must tell you that as far as revealing, specifying, is concerned, no particular powers have been specified.

We said that we only need the right and the possibility first, to go to the Supreme Soviet if we see something that needs to be changed in the legislative base and to make use of the powers that the Supreme Soviet has already given to the executive power. That, strictly speaking, is what was at issue. As an example, we cited, as a matter of fact, three main areas, so to speak.

First, gathering in the harvest, which we regarded and regard as vitally important for the survival of our country's population. This may require the adoption of really quick and prompt measures. I do not rule out any measures connected with the necessity to abrogate contracts concluded in accordance with the enterprise law. It is possible that it will be necessary to change supplies fundamentally and to interfere in various situations, you see, and precisely in order not to permit the loss of the harvest.

The second area that we mentioned today is what I referred to: the creation of the rules of the game, which affects the entire general legislative basis in the economic sphere for the year 1992. We must announce it today. For example, by agreement of the republics, in accordance with the draft treaty which everyone is talking about, there is talk of a federal tax. Well, we must make it public. What is a federal tax? How do we conceive it? After all, later it is possible to agree or not to agree with it. But the Cabinet has to make the decision.

The third area which we have been talking about all the time, is the area of creating new legislation connected precisely with questions of property and denationalization, that is, building the market.

Here is a fundamental question connected with building the market. Look, how many laws have not yet even appeared in parliament? For example, a law on foreign investments has been adopted—is being adopted—right? A law on denationalization and privatization is being adopted. But without a mortagage-base right [zalogovoye pravo] they cannot work. So, a law on the mortgage-base right is necessary, and no one has even submitted this law to the Supreme Soviet. So, in this sense the government must have the right to adopt decisions which would have normative force from the viewpoint of the entire complex of legislation. When a law is passed, this act ceases to be in force; but from the viewpoint of any foreign investor, when you do not have such a legislative decision, then he will not invest his money.

Strictly speaking, there are three major areas involved. As regards the draft union treaty, I must tell you that I have not participated; I am not a member of the working group which drew up that draft treaty. So at that moment it was rather hard for me to give any answers to such question. I said frankly that I had not taken part and had not seen it, and that is why I could not say anything on the subject. The draft treaty came into our possession yesterday evening. It was circulated. We will now study it. Then we will be able to give a specific answer on whether it is in accordance.

As for the anticrisis program, that was, of course, the premise on which we acted.

[Kiosa] To conclude our talk about this problem, this discussion, one more question. Both during the discussion in parliament and in reports on it, we have often heard that the views of the Cabinet of Ministers and the president do not coincide; and it is even said sometimes that they are in confrontation. What is your opinion?

[Pavlov] You know, I feel that this is not the first time that we have been able to observe a very clear line in attempts without fail to divide the government and the president, the president and the Supreme Soviet, or the government and the republics; and, for some reason, it is absolutely necessary that their views should not coincide.

For example, I have believed and continue to believe that we have no differences of a political nature, and we are firmly convinced of the main thrust: the need for perestroyka and a switch to new conditions, a new system of government, which has, in my view, been interpreted freely as a transition to market relations. In that sense, there are no differences at all.

As for the fact that discussions arise in the government on specific ways to solve a particular task—that is natural, it always happens. It is a normal phenomenon for one man to see pliers as the best way of unscrewing the thing and another the wrench, as they say. But the important thing is to get it unscrewed in one direction—I believe that is the fundamental point. We have no differences here. But if I think that it is sometimes necessary to press harder, while someone else considers it better to use encouragement and persuasion there, that is not a difference of principle. You can use both methods.

[Kiosa] Thank you. Valentin Sergeyevich, another event of the week has been the publication of the government resolution on the preparation of socioeconomic forecasts for next year. In a way, this is what we were talking about: uniform rules of the game for enterprises in a uniform economic space. But amid the tumultuous events of the beginning of the week, this document has rather been lost sight of. Yet it is very important. What do you think its main gist is?

[Pavlov] You know, the main thing is that the rules of the games should not appear on 31 December. We have to know precisely that if we do not create the rules of the game now and give them to the enterprises, and do not say that these are market rules of the game in real terms in real acts, then we will not get the market even in 1992.

[Kiosa] I remember something you said: Until the enterprises receive these rules, they can not and will not do anything.

[Pavlov] That is quite correct. What is more, my friends in industry—fortunately I have plenty of acquaintances in that sphere, and friends—have already sent me something. That is why I have been forced to speed up in dealing with these matters, because I felt that we are again doing things too late. They have already sent me a draft, or rather, not a draft even, but the enterprises have already received instructions for drawing up their plans and budgets for 1992. Formerly, that had a terminological theme, as it were: It was called bricks, bricks that were developed by Gosplan [State Planning Committee]. In other words, methodological instructions which were indeed as thick as bricks and as heavy, too.

[Kiosa] And in content?

[Pavlov] And in content. It was again all the same forms, that is, from beginning to end, for all indices, as they say, everything allocated and prescribed. Hence, the question arises: if they make you do everything again as you did it hitherto, and you establish practically all the contacts, then what has become of the market? What are you going to trade with, and where's the freedom of choice?

And, without that, what is there today? For that reason, I understood that, if now, literally urgently, even if we make mistakes in something, we'll manage to correct it. But, if now we do not give enterprises the foundation of these rules, we will lose out once again.

[Kiosa] Valentin Sergeyevich, at the Cabinet of Ministers session, during the discussion of nearly every question, the topic of cooperation with foreign countries crops up frequently—the topic of foreign investments. Our need for such cooperation is stressed. Yesterday we saw the entire government meeting with EC Commission Chairman Jacques Delors. Again it was a matter of mutually beneficial cooperation. But there is a view, as has recently been said, of Pavlov as a person adopting a, let's say, cautious attitude toward cooperation with foreign states.

Let's nevertheless answer the question: What is the position of Valentin Sergeyevich Pavlov on the question of cooperation with other countries? How do you see that cooperation?

[Pavlov] You know, maybe the whole point is that I look too soberly on such matters, cooperation, simply because, unlike many of our economic managers, I deal with foreign partners, and not for the first time, and I know what it's like. So I have always thought, and I think, that this cooperation can and must be mutually beneficial.

I always put in the first place the question of mutual benefit, and I assure anyone who is about to enter that sphere of relations that there is no philanthropy in economic relations. If you want to do business with foreign partners, the first question that we must ask ourselves is: Why is he [emphasis on "he"] preparing to do business with you? If you understand his prime motivations, then you will be able to set up your relations correctly too, and you will find your own line of conduct that will ensure your benefit as well. Here petty deception or the attempt to somehow not put everything plainly are no good. Relations have to be built up seriously, for a long time and on a permanent basis. It only appears to be possible there to make something, some profit, from the deal for the country as a whole without worrying about what the partner is thinking about it and what he wants from you.

I am therefore in favor, but I always put in the first place the condition of mutual benefit. That is why my attitude is perfectly unequivocal. These meetings of ours always bear witness to the fact that we are in favor of not giving foreigners the opportunity of simply being in command of our economy. This is because they will then pursue only their own advantages, while our interests will be relegated far into the background. Foreigners must first and foremost be regarded as equal partners who also have interests of their own. We are not supplicants as far as they are concerned. They will never come here, just in response to our requests. There is, you know, more than enough demand for capital in the world. You may have no doubts where supplicants are concerned, and that is why when they do come, they come if you offer them advantageous deals, advantageous to both sides. Nor is there any need to conceal one's own interests. It is necessary to see their interests. If you know that he is making a 100 percent profit out of you then, I do beg your pardon, but you can bargain with him a bit and get a more advantageous deal. But if you do not have a command of it, it is then better to study a bit to begin with .

[Kiosa] While preparing for this meeting I discovered a very interesting article in MOSKOVSKIYE NOVOSTI, an interview with representatives of the Bank for Reconstruction and Development. Replying to a question concerning assistance for the Soviet Union, the representatives of this international financial institution—which is among the most well-known and prestigious—state that a sober-minded person never borrows money. Of course, if the Soviet Union makes progress along the path of market reforms, it will surely need material assistance during the first stage. This, however, is the reserve parachute, you yourselves should to be preparing the main chute.

[Pavlov] I would maybe use slightly different language. You know, those who work get helped. If you think—I do not mean you personally—that those who sit back and are idle will get help, then this is already called scrounging, and not aid. In this eventuality, you are not being helped but given alms.

That is indeed why I say that, all in all, we should see the prospects unequivocally, that we should be working ourselves, in a very persistent and sustained manner. We should be aware of our own problems. All the same, no one knows them better or will tackle them better than ourselves. It is another matter that having worked out the way in which we should and will tackle our problems, we should also define this niche where we indeed need real help.

But the way it is understood in our country is that we need assistance in almost all areas, including the belief that we will soon be aided in styling women's hair at the hairdresser's. Incidentally, it is a profitable thing and there will be a considerable number of eager volunteers here, but do we need assistance in this area? I believe that if we are helped in setting up units to process and store agricultural produce, cold storage plants, in chemical fibers and oil, in reconstructing the energy program—this I do understand, that is aid and we really do need. It will help us free the logjams and move ahead. As far as the hairdressing business is concerned, we can wait for the time being. I think that our hairdressing salons can in some cases compete, as is shown in practice.

[Kiosa] Maybe the last question: The harvest is not far off, but the problems of the countryside are very acute in our country. Here the machinery prices are too high and the purchasing prices for agricultural produce are too low. This, incidentally, has recently been discussed in Moscow at the Peasants' Union Congress. What is your stance on the agro-industrial complex, its ills and problems?

[Pavlov] Our dialogue with the peasants was rather difficult, I would say, and this is how I would put it: The difficulties exist despite the fact that I continue to view agriculture as the key to resolving most if not all, then 90 percent of our economic problems. At the same time, I have not regarded and do not regard it as necessary to give in to some sort of emotional pressures to the effect that machinery prices are high and that produce prices are low. I would not say that we have low produce prices, procurement prices, above all. I openly stated that it was first and foremost necessary to give some thought to agriculture's marketability factor.

Are the procurement prices in our country so low, or is it simply that we still have low productivity, a low coefficient of what is termed production output? It is no secret that we produce twice as much milk as many developed countries. We produce more milk per capita than anyone else in the world. Would any of our consumers who go to the milk shop believe this?

[Kiosa] No.

[Pavlov] No. I do not think so, either. But nevertheless it is a fact that we produce more than anyone else in the world. But as to output of processed product we have virtually half of what the Americans have. We obtain almost 90 percent less output from the meat we produce than is obtained in the United States if we compare their conditions.

It is not merely a matter of raising procurement prices now. Say we did raise them, then they would again affect retail prices and there would be another twist in the spiral. So, in this case, we have sought mutual understanding with them, that we are ready to help and support agriculture, to give economic assistance. But in what form? In a form that would give people incentives to improve production.

We wanted to make and did make the decision to lower the price on combined feed. We deliberately decided on that measure. Why? In general, we consider that if we lower the price of combined feed, the peasant will not find it profitable to feed piglets and poultry with grain, with wheat, say. All the same, it will be more profitable to seal it to the state. Then the state will be able to fulfill its task, if it functions normally, to produce combined feed. Then the efficiency of the whole grain-poultry-piglets complex will be immediately improved.

Moreover in this sense we said that by lowering the price of combined feed we remove the issue of feeding cattle with baked bread and give the opportunity for people with personal subsidiary plots to promote the production of meat and milk. Combined feed is needed. For combined feed it is necessary to increase the trading involvement of agriculture from the viewpoint of grain. Last year there was a lot of grain. It was not put on sale. Basically, the volume of procurement of grain crops fell 30 million tonnes, even though the harvest was somewhere around 30 million tonnes above average.

So actually these are the measures that we advocate. We've been against—no doubt I can still for the time being use my power—we'll be opponents of simply handing our money. To lay down an infrastructure, industrial or nonindustrial, yes. To provide incentives for increased production, yes. Incentives for increasing commodity production, yes. But simply to increase is pointless.

[Kiosa] Well, there we bring to an end our live dialogue with our country's prime minister, Valentin Sergeyevich Pavlov. It's been the first live dialogue but not, let us hope, the last. I thank Valentin Sergeyevich for this meeting on Mayak, and so we take our leave of you, esteemed listeners.

Pavlov Speech, Transfer of Power Viewed

91UN1883A Moscow ROSSIYSKAYA GAZETA in Russian 19 Jun 91 p 1

[Article by R. Minasovov, ROSSIYSKAYA GAZETA parliamentary commentator, under the rubric "At the Session of the USSR Supreme Soviet": "Pavlov Has Demanded That Powers of the President of the USSR Be Taken Away"]

[Text] **Robert Minasovov, parliamentary commentator, reports from the Kremlin.**

Discussion of Prime Minister V. Pavlov's report on the socioeconomic, public, and political situation in the country continued for a second day in the Supreme Soviet. It would seem that there are grounds for a practical, constructive search for the most optimal solutions to this deep, all-embracing crisis. However, a portion of the most active conservatives pushed the more important problems aside and concentrated their efforts on a search for an "extreme." Focusing criticism for the existing situation on the president of the USSR, they demanded that additional powers be given to prime minister V. Pavlov immediately. Valentin Sergeyevich himself proposed to the parliament the following formula: "Taking into account the severity of the economic situation in the country and the need in conjunction with this for a practical solution to questions connected with the organization of work to implement programs of joint actions of the USSR Cabinet of Ministers and the governments of the sovereign republics with regard to pulling the economy of the country from the crisis under conditions of a transition to a market, to agree with the proposal of the USSR prime minister on granting the government of the USSR for 1991 the right to adopt rulings concerning questions of the leadership of the national economy and social and cultural construction within the framework of the additional powers transferred by the USSR Supreme Soviet to the president of the country with notification of the USSR Supreme Soviet and the USSR president concerning this."

In the course of discussion one of the deputies asked V. Pavlov, "And have you consulted with the president concerning the powers that are being demanded?" The prime minister answered, "No."

Later he explained that, as he said, the Cabinet of Ministers does not function under the auspices of the president but is only under the jurisdiction of the president and the USSR Supreme Soviet. This means, according to the logic of V. Pavlov, that with the aid of a dutiful majority of the parliament it is also possible to take away some of the powers of the head of the government that have been entrusted to him by that same parliament.

The coordinators and activists of the Soyuz deputies group attacked the microphones with fury. Ye. Kogan stated that the president of the country should be deprived of those powers which he does not use (it is a question of the introduction of a state of emergency). He demanded that a unified tax inspectorate be created subordinate to the Union parliament, that the banking and credit system be centralized, and that republic-level laws on banks and the banking system be considered invalid. Finally, Kogan, Alksnis, Chekhoyev, and Umalatova (all from Soyuz) demanded that an emergency USSR Congress of People's Deputies be convened in July with a single question on the agenda: An accounting by the president of the USSR.

Deputy Leonid Sukhov suddenly ended his muddled speech with the cry, "Down with Gorbachev! Down with his clique—Shevardnadze, Yakovlev, and the others!"

Perhaps Ye. Pamfilova, member of the parliament, more accurately characterized the situation existing in the USSR Supreme Soviet when she stated, "I believe that an attempt at a constitutional coup is being committed here."

Anticrisis Program Controversy Assessed

LD2306141291 Moscow Radio Moscow World Service in English 1210 GMT 23 Jun 91

[Text] And now our analyst Vitaliy Gurov compares two programs meant to lead the Soviet economy out of the state of crisis. One has been drawn up by the Cabinet of Ministers and the other prepared by the leading Soviet economics expert Grigoriy Yavlinskiy. He worked on it at Harvard University in the United States.

Vitaliy Gurov writes that he would describe the attitude to these two programs in the Soviet Union, where the democratic and conservative forces are in opposition, as natural. The cabinet's anti-crisis program was first taken by the democrats as not radical enough and the conservatives find its elements incompatible in their view with the ideological stereotypes typical for the orthodox-minded sections. The patriotically-minded factions saw in the Yavlinskiy program something that was masterminded at the White House and went counter, therefore, to the country's interests. When the Prime Minister Valentin Pavlov spoke in parliament he said the number of economic programs here had already exceeded the number of dissertation papers. He also declared that he would have questioned the United States' willingness to render disinterested assistance, though he, of course, would have welcomed it. But the People's Deputy Kim Yen Un noted that it was necessary to create the most favorable conditions for foreign investments, what was envisaged in the Yavlinskiy program.

It would be unrealistic, however, to count on a massive inflow of foreign investments, but shrewder analysts see many features in common in the two programs. To this or to that extent the two programs are designed to create conditions for market relations in the Soviet Union, for the development of free enterprise and rational economic management. The centerpiece of the Yavlinskiy program is the Soviet Union's active integration into the world economy that will make this country a participant in the world economic process. In the opinion of Yavlinskiy the Soviet Union should act as a partner of foreign countries if it wants to carry though its program of domestic reforms.

Mikhail Gorbachev's recent statements in parliament concerning the realization of the anti-crisis program may be taken as a sort of first official reaction to the Yavlinskiy program. On 21 June Gorbachev declared that it would be wrong to oppose ourselves to the entire world. Naturally the burden of responsibility for the realization of reforms, Gorbachev said, lies on all of us. Only we alone can solve our own problems, but in solving them we can and must cooperate with other countries. The president reaffirmed that there were no serious differences between the cabinet and the Yavlinskiy programs, but there are some provisions in the two programs that need revision. For example, the questions about measures needed to stabilize the financial system and about the ruble's convertibility have not been fully clarified. That the two programs augment each other, this is the main conclusion one can arrive at while comparing these two documents.

Shevardnadze Remarks to Magazine Viewed

TASS

LD2106133291 Moscow TASS in English 1225 GMT 21 Jun 91

[Text] Moscow June 21 TASS—Soviet ex-Foreign Minister Eduard Shevardnadze continues to be convinced that Soviet society "needs a new party that would unite all democratically-minded people irrespective of what political parties they were or are members of." He made this statement in an interview with the NEW TIMES weekly.

Although a similar statement by the ex-minister, who remains a member of the Soviet Communist Party Central Committee, already drew an official report by the CPSU Central Control Commission that it will conduct a special inquiry, Shevardnadze does not intend to abandon his point of view.

Shevardnadze justified his stance by the desire to help Gorbachev, who "has virtually nobody to rely on now."

Shevardnadze believes that "this reform-minded party has a political base and it will be expanding as enterprise and market structures are being developed."

He also called for "setting up a constructive and sensible opposition in the USSR, that would help Soviet society progress."

Russian Television

LD2106232991 Moscow Russian Television Network in Russian 2000 GMT 21 Jun 91

[From the "Vesti" program]

[Text] In today's edition of NOVOYE VREMYA [NEW TIMES] Shevardnadze, former foreign minister of the USSR, said that he is still convinced that Soviet society needs a new party which would unite all democratic people despite to which political parties they claim membership. Shevardnadze said that he does not intend to give up his viewpoints despite the decision of the CPSU Central Control Commission to conduct a special inquiry into the subject.

Shakhnazarov, adviser to President Gorbachev, said to journalists today—in a polemic with Shevardnadze, as it were—that it is necessary to preserve the CPSU and turn it into a socialist parliamentary party, having changed its name. Shakhnazarov believes that it is desirable to hold a congress of the CPSU in the very near future, to reassess party policy, especially following the setback at the Russian Soviet Federated Socialist Republic elections. Otherwise it can completely lose its influence in society. True, Shakhnazarov failed to mention whether Gorbachev shares his views on these problems.

Gorbachev, Officials Commemorate Nazi Invasion

LD2206130991 Moscow TASS in English 1302 GMT 22 Jun 91

[Text] Moscow June 22 TASS—Just like in the past years separating us from the tragic date—June 22, 1941—when fascist Germany attacked the Soviet Union, there is an endless stream of people near the unknown soldier's tomb in Aleksandr Garden.

The date has long become a commemoration day in the minds and hearts of many people, although it is not listed as such in the official calendar.

Old and young Muscovites, people from other towns and villages of the country and guests from abroad come here to pay a tribute of memory to the feat of arms performed by 27 million fellow-countrymen who perished in fighting for the freedom and independence of the Soviet Union, and to the heroism of frontline soldiers and workers on the home front.

President Mikhail Gorbachev, Vice-President Gennadiy Yanayev, Parliament Chairman Anatoliy Lukyanov, Prime Minister Valentin Pavlov and other state and political figures of the USSR came to the Unknown Soldier's Tomb near the Kremlin wall on June 22.

Moscow garrison units lined up on the square in front of the memorial. Servicemen's guard of honour stood near the obelisks of the hero cities. Battle standards were lowered. To the strains of solemn music, the leaders of the state laid wreaths.

Yazov Addresses Veterans

LD2206154191 Moscow TASS International Service in Russian 1152 GMT 22 Jun 91

[By TASS correspondent Oleg Moskovskiy]

[Text] Moscow, 22 Jun (TASS)—A meeting between the leadership of the USSR Defense Ministry and veterans of the Great Patriotic War of 1941-1945 took place at the Central House of the Soviet Army today.

"There are dates in the history of our fatherland, the memory of which lives on in the hearts of generations with a pain that does not age. One such date for our people is 22 June 1941," Marshal of the Soviet Union Dmitriy Yazov, the USSR defense minister, stated at the meeting.

For the Great Patriotic War, the marshal said, this immense country rose up as one. Everybody, large and small, without distinction of language or nationality, stood up in defense of their native land. "It was a battle to the death. The country was invaded by German fascist aggressors, an enemy who knew no pity or mercy," Dmitriy Yazov stressed. He added that Europe lay subjugated behind the aggressor. "Ahead of him stood a people whose enslavement would have meant a direct road to world domination. If the aggressor did not achieve that, it was only because the Soviet people and Soviet soldiers stood in his path," the defense minister stressed.

"Today, the day of nationwide grief and memory, we pay a tribute of profound respect and gratitude to those who took upon themselves the enemy's first, most dreadful blow. We remember those who did not return from the war and gave their lives for the motherland and those who died of their wounds in the post-war years," Dmitriy Yazov said, in conclusion.

An appeal from heroes of the Soviet Union, full holders of the Order of Glory, and veterans of the Great Patriotic War to servicemen of the Soviet Armed Forces was adopted at the meeting.

Participants in the meeting laid wreaths at the tomb of the unknown soldier by the Kremlin wall.

TASS Highlights Press Accounts

LD2206175791 Moscow TASS in English 1605 GMT 22 Jun 91

[Text] Moscow June 22 TASS—All Soviet newspapers carry today whole pages with materials dealing with the beginning of the Great Patriotic War. They recall that the war, that lasted 1,418 days, killed 27 million Soviet people. Nazi invaders destroyed fully and partially or burned 1,710 cities and townships, about 70,000 villages. About six million buildings were destroyed, and 25 million people were left homeless.

PRAVDA published a special selection of materials on this subject under the general headline: "Glory to Those Who Died in the Struggle for the Independece of Our Motherland." It includes recollections of war veterans, numerous photos and articles. The war interrupted peaceful life of Soviet people. Millions of people had to give up their work, take up arms and go to the front to defend their native land, the newspaper wrote. "The man-hating Nazi idea brought death and destruction to our country, but it did not bring happiness to the German nation either. It suffered from an act of retribution for the damage inflicted on the land of Soviets," PRAVDA pointed out.

Nazis came close to Moscow, besieged Leningrad and tried to reach the Volga. But the fighting took place not only at the front line. The whole nation rose in arms against the invaders. The struggle against them was also going on deep in the rear. People were fighting a great battle to defend their land against the enemy, PRAVDA wrote.

Soviet people countered the termporary advantage in military might, insolence and deceit of the Nazis with remarkable endurance and massive heroism. The army was the first to start the war, but it is the people who were waging it, who finally achieved victory at the cost of tremendous losses, merited Air Force pilot Marshal Ivan Pstygo wrote in KRASNAYA ZVEZDA.

The newspaper wrote on the front page: "We are deeply grateful to you, soldiers of 1941."

Central newspapers published today "Appeal of the Soviet President on the Occasion of the 50th Anniversary of the Beginning of the War," "Appeal of the Soviet Parliament to Parliaments and Nations of the World" and "Appeal of the Soviet Parliament to Peoples of the Soviet Union." The appeal of the Soviet president says:

"We shall always remember the first tragic days of the war, the days of retreat and bitter defeats. We shall remember those who sustained the first blow of the invaders, who fought in the Brest fortress, at the Berezina River, near Yelnia and Smolensk, who hampered the enemy advance near Liepaja and the West Dvina River, who defended Leningrad, Odessa and Sevastopol, who made their last stand near Moscow. Nazi armies would have never been defeated at Stalingrad and Kursk, had it not been for their self-sacrifice and endurance. There would have been no victory in 1945 either.

"We cherish the memory of millions of people who gave their lives during the Great Patriotic War, both those whose names we know and those who are reported missing. There are fewer and fewer veterans among us, as well as those who spent days and nights in production shops, living just on this side of starvation, who produced grain, drove locomotives and trucks under bombing, who saved the wounded on the battlefields and in the rear. Glory to all of them. The state and society should repay their debt to them, which can actually never be repaid, and support them in the present difficult situation."

Citizens Commemorate Start of War

LD2206215191 Moscow TASS in English 1927 GMT 22 Jun 91

[Text] Moscow June 22 TASS—Soviet people observe today the 50th anniversary of the beginning of the Great Patriotic War (1941- 1945).

A mourning ceremony was held at the Piskarevo memorial cemetery, where victims of the Nazi blockade and defenders of Leningrad are buried, TASS correspondents report. War and blockade veterans, heads of the city and regional councils of people's deputies, clergymen, servicemen, representatives of the Soviet Communist Party and trade unions and staff members of diplomatic missions accredited in Leningrad laid wreaths at the monument to motherland.

At the early hours of the morning war veterans together with young residents of Volgograd came to the square named after the dead fighters, to the eternal flame. By tradition, they are the first in that city on the banks of the Volga to start a mourning ceremony at 0400 in the morning. The Volgograd residents honoured today the memory of soldiers coming from their city and from other parts of the country, who were killed in the Volga battle. The battle, the greatest in history, left some 500 common graves in the Volgograd region.

Babiy Yar—a gigantic common grave—will become a memorial complex in Kiev. The reconstruction of that place of massive shootings of Soviet people by Nazis during the second world war has been started. The 50th anniversary of that horrible tragedy falls due on September 29.

The organising committee on the government level, created in the Ukraine to prepare the activities to mark this tragic anniversary, outlined a programme which would include a scientific conference, an exhibition of documents, photos and books and a film festival. They will be attended by scientists, specialists and cultural personalities from the Soviet Union and other countries.

Results of the all-Union contest for the best design of the Babiy Yar memorial complex will be summed up. Money continues to be raised for its construction. It is noteworthy that the name of each donor—an organisation or an individual—will be entered forever in the book of solidarity of nations and engraved on marble plaques to be installed in the main hall of the memorial complex, irrespective of the volume of donation.

A rally was held today in Sukhumi, capital of Abkhazia, at the monument to those who blocked the way to the Transcaucasian region for Nazis at the cost of their lives. Similar rallies were held in other cities of the autonomous republic.

A mourning meeting was held today at the garrison house of officers in Kirov, an old city on the banks of the Vyatka River. War veterans spoke at the meeting about the heroism of Soviet people who emerged victorious from the bitter struggle against Nazism.

A popular museum of soldiers' glory opened today in the Ossetian village of Dzuarikau. It was created on the initiative of local residents. Some 1,000 articles—documents, frontline newspapers, books, photos, letters, personal belongings, soldier decorations and army relics dealing with the life of 275 residents of the village who fought at the front—are displayed in the museum.

The memory day ceremony opened in Petropavlovsk-Kamchatskiy with a mourning march in the centre of the city. Petropavlovsk residents honoured the memory of those killed during the Great Patriotic War. A divine service was held. Traffic stopped all over the city on the minute of silence.

A funeral service at the military cemetery in Yaroslavl was attended today both by Yaroslavl war veterans and by war veterans from Kassel, Germany. According to Professor of Philosophy H. Bliss, head of the delegation, the time when former enemies extend hands to each other is a promising and good time for cooperation and peace on the earth.

The memory day began in Kaluga with a civil funeral service at the military cemetery. Kliment, archbishop of Kaluga and Borovsk, conducted a service to commemorate those who died during the Great Patriotic War.

Humanitarian Aid Said Used for Political Purposes

LD2306224691 Moscow Radio Rossii Network in Russian 1900 GMT 23 Jun 91

[Report from Leningrad by (Denis Burinskiy)]

[Text] Local authorities are using humanitarian aid goods from the German Bundeswehr stocks for their political interests. Our correspondent was told this by one of the members of the Leningrad soviet commission for monitoring the food aid, who asked to remain anonymous. He showed our correspondent a copy of an order issued on 22 May by USSR Prodintorg which orders the dispatch to Estonia in the shortest period of time of a portion of the goods sent to Leningrad from Germany, currently housed in a warehouse at a Leningrad commercial port.

The recipient in Estonia is not the government by any means, but the leadership of an association of joint labor collectives of the Estonian Soviet Socialist Republic that has close ties with the USSR (?General Confederation of Trade Unions) and advocates the integrity of the USSR.

Chief Editor Remarks on IZVESTIYA Conflict

LD2406002991 Moscow Russian Television Network in Russian 2000 GMT 23 Jun 91

[From the "Vesti" newscast]

[Text] It is possible that there will be further development tomorrow in the conflict situation at the IZVESTIYA newspapers, which is threatened with the departure of its leading journalists, who are in disagreement with the editor in chief. On Monday the collective should be told the fate of the message sent by the IZVESTIYA people to President Gorbachev, and also the fate of deputies' questions about events surrounding the newspaper:

[Begin recording] [Unidentified correspondent] For the third time in recent days we are returning to the conflict at the IZVESTIYA newspaper. Over the last six months the confrontation between the editorial collegium and Nikolay Yefimov, the editor in chief, has been getting the whole collective of the newspaper excited:

[I. Golembiovskiy, first deputy editor in chief, identified by caption] The editorial collegium is insisting that the USSR press law has been violated. Absolutely clearly and precisely, the laws says that the right to appoint the editor of NEDELYA belongs to the IZVESTIYA newspaper. But the editor in chief insists on a different view, considering that the law has not been infringed.

[Correspondent] But what is the attitude to the situation of those who make the newspaper with their own hands? For according to Golembiovskiy, the further development of events will depend to a large extent upon their attitude. It turns out that their attitude is a fairly neutral one. The problems of the creative and technical staffs are too varied. Of course we would also like to hear the viewpoint of Nikolay Yefimov, the editor in chief, himself. But he didn't want to meet the "Vesti" program.

[Unidentified speaker] He says he will not, he has nothing to say. [video shows interview with Golembiovskiy, worker in typesetting room] [end recording]

Party Official Loses Home Acquired 'Out of Line'

PM2106144991 Moscow KOMSOMOLSKAYA PRAVDA in Russian 20 Jun 91 p 1

[URAL-AKTSENT report: "And the Keys to the Apartment?"]

[Text] Tyumen—The city prosecutor's office intends to evict Victor Tokar, first secretary of the CPSU City Committee, from his new apartment. Investigations revealed that in July of last year the Tokar family moved to the four-room apartment in the very center of Tyumen "out of line" and "with the aim of improving their accommodation conditions," which were actually far from bad. The city prosecutor sent a protest to the Tyumen City Soviet and brought an action in the Tsentralnyy Rayon Court to nullify the authorization. He also demanded that the privileged family be evicted from their new apartment and rehoused in accommodation equivalent in value to their former home.

Youth Paper Seeks Access to Moscow Bunker System

PM2106155391 Moscow KOMSOMOLSKAYA PRAVDA in Russian 20 Jun 91 p 4

[Unattributed report: "Digging Beneath Moscow?"]

[Text] This plan of an underground bunker for Soviet leaders in Moscow comes from the pamphlet Soviet Military Might 1988, which is published by the U.S. Defense Department.

According to our information, Moscow has at least 15 underground enterprises joined by tunnels, and secret railroad tracks built when the subway was being constructed. The headquarters of the Directorate for Emergency Defense in the Event of War are located far below the Foreign Ministry building in Smolensk Square. The center is larded with prerevolutionary catacombs, and a network of shelters, passageways, and tunnels constructed in the new era. So, we wouldn't mind taking a walk below Moscow—and you can believe it when we say this is not just idle interest—because in fact this is a question concerning our common safety. We promise not to go near the top secret facilities.

Incidentally: Experts maintain that the underground "city" is upsetting the stability of the overground city. And the likelihood that the center will start to sink is very great. We are looking for someone to assess whether or not such a danger does actually exist.

Sale of Self-Defense Weapons Under Discussion

PM2106135191 Moscow KOMSOMOLSKAYA PRAVDA in Russian 18 Jun 91 p 1

[Report by O. Karmaza: "Give Women Tear Gas"]

[Text] As already reported, the USSR MVD [Ministry of Internal Affairs] has prepared a working version of the draft law on the control of weapons. One of its sections is devoted to weapons for self-defense.

Yesterday we contacted E.V. Kapachev, chief of the USSR MVD Main Administration for the Maintenance of Public Order, and asked him to comment on this in many respects curious fact:

"To be brief, the legalization of weapons for self-defense is a matter that has long been urgent," Eduard Vasilyevich said. "In this country there has now been a sharp increase in the number of crimes committed against the person: robberies, rapes, thefts. In a moment of danger people frequently find themselves simply defenseless, particularly women. It is an open secret that all sorts of small gas cylinders and gas pistols are already passing from hand to hand: People are bringing them in from abroad or making them themselves at home.

"To have the opportunity to buy something for self-defense is a normal practice for all civilized countries. It is not obligatory to buy firearms—a paralyzing substance suffices.

"We are now sending the draft law to all the interested departments: the KGB, the Ministry of Justice, the customs services, and the Supreme Court. After amendments and the corresponding finalization it will be handed over to the USSR Supreme Soviet.

"At present it is a question of permission to buy and carry appliances and devices with a tear-producing, irritant, or painful percussive effect designed only to repulse an attack. These devices will be sold in specialized weapon stores, and any citizen (but no younger than 16 years) will be able to buy them, provided he has a permit from the internal affairs organs.

"To all appearances, the most widespread device in these stores will be special little cylinders containing neuroparalytic gas. It is perfectly possible that gas pistols will also be sold, although some representatives of the interested departments are now nonetheless proposing ruling out their sale."

Moscow Airport Personnel Indicted for Theft

PM2106160991 Moscow KOMSOMOLSKAYA PRAVDA in Russian 20 Jun 91 p 2

[POSTFAKTUM report: "Rubles Changed at Liberty"]

[Text] Moscow—The USSR Prosecutor's Office Press Service has announced that the investigation into the case of the misappropriation of $400,000 by former workers at Sheremetyevo-2 International Airport has ended. After Deputy USSR General Prosecutor Vladimir Kravtsev confirmed the indictment, the case was referred to the court.

The investigation established that, owing to the chaos reigning at Sheremetyevo-2, a particularly valuable cargo from New York which was destined for the USSR Foreign Economic Bank (eight sacks containing up to $400,000 each) was unloaded along with the rest of the baggage into individual carts. For a long time the $3 million lay unguarded near a ramp. The situation was exploited by the driver of a ZIL-130 service vehicle (N.), two baggage handlers (B. and U.), and a repairman (V.), each of whom agreed to steal one of the sacks. As a result, $400,000 were secreted away at the homes of two of the four thieves. Later, the U.S. dollars were exchanged for rubles.

Customs Official Interviewed on New Customs Rates

LD2406002191 Moscow Russian Television Network in Russian 2000 GMT 23 Jun 91

[Interview with (Genrikh Chmel), deputy head of the USSR customs service, by correspondent Sergey Rybin, place and date not given; from the "Vesti" newscast—recorded]

[Text] New customs duty rates are being introduced in our country from 1 July. This affects a lot of people, but I want to warn you right away that the whole of your patience will then be needed to sort out what our customs have thought up, acting upon the instructions of the Union Council of Ministers. And so, here is an interview by our special correspondent Sergey Rybin with (Genrikh Chmel), deputy head of the customs service.

[Rybin] Imagine that you have been abroad, have earned foreign currency legally, and are bringing through the customs, say, one computer, two television receivers, one video tape recorder, and five pairs of jeans, for your own personal use.

[(Chmel]) Just as was the case two years ago, both today and after 1 July we will let all the objects through without duty. Unconditionally. First and foremost, it is a question of the probity of the passenger and our trust in him.

[Rybin] A perfect idyll, it would seem—so don't rush. The fact is that the customs might nevertheless consider that you have rather a lot of television receivers for your own use. Then you will have to pay duty under the first category. Just how much, we will tell you in a minute. But there is also a second category. That is for the dishonest, who use passenger channels for the mass importation of goods, and get rich as they do so, avoiding the payment of export and import tax to the state. Of course there is some truth in this argument, but the question arises: Who is going to divide the clean citizens from those who are not clean? And who is going to determine our personal requirements?

[(Chmel)] Of course the decision will be made by the inspector who carries out the customs check. If a passenger believes that the actions of an official who has made a decision with regard to the letting through of objects are unjust, and not in keeping with the legislation, then for goodness' sake, the court...

[Rybin] Is that clear, dear fellow citizens? The court. And perhaps in the end you will get your things—if, of course, the court does not wear them out. But now for the main thing. By how much are the duties being raised? Here are the figures: First for those who are honest—a shirt, 15 rubles; the second figure is for those who are dishonest—40 rubles; a jacket—35 rubles and 100 rubles; tights—6 rubles and 12 rubles; a video tape recorder—1,500 rubles and 10,000 rubles; an IBM computer—11,000 and 17,600. Why have the duties been raised?

[(Chmel]) Because of the increase in retail prices in our country from 2 April. That is the only thing taken into consideration. From the viewpoint of the level of prices in our country, therefore, these rates have not actually been raised.

[Rybin] But from the viewpoint of the average wage? But even this is not yet the whole story. The customs from now on intends to review the rates every quarter depending upon retail prices. And finally: If you are an honest passenger, but because of various circumstances have decided to sell the goods you have imported, bear this in mind:

[(Chmel]) We will be checking, selectively, but we will be checking.

[Rybin] In what way? The person might simply hand it in to a commercial shop?

[(Chmel]) Perhaps—and then the very fact of its having been handed in we can check.

[Rybin] It is expected that the entry of Soviet customs into the Customs Cooperation Council will be announced in Brussels tomorrow. The Westerners will have something to learn from ours—the Soviet customs, which in its customs zeal would seem to have gotten the better of all the other customs services of the world. Sergey Rybin, "Vesti." But nevertheless, let the customs have the last word:

[(Chmel)] Nothing has happened to give rise to confusion or alarm.

Rail Ministry Collegium Discusses Rail 'Crisis'

LD2106093291 Moscow All-Union Radio First Program Radio-1 Network in Russian 1600 GMT 20 Jun 91

[Text] Owing to the general economic situation, one of the leading sectors—rail transport—has found itself in a most difficult situation. An expanded sitting of the ministry's collegium was devoted today to a search for ways of emerging from the crisis. Our correspondent Yuriy Korotkov was there, and I have asked him to share his impressions.

[Korotkov] The sitting was more like a big sectoral meeting or a scientific-practical conference. There were few people invited, but they were all high-ranking. The sitting was chaired by Leonid Ivanovich Matyukhin, the new minister of railways. He seemed to me to be a businesslike, experienced, and demanding man. Prior to this post he worked as head of the Gorkiy railway. And at today's collegium he presented precisely and clearly his view of the sector's problems, and outlined ways of emerging from the crisis.

The sector really is in a difficult position owing to the general economic situation within the country. The volume of freight and passenger traffic is declining; labor productivty and discipline are falling. Income is reduced. The fines paid to customers for the untimely supply of railcars and for goods perishing are increasing. The new minister sees the way out of the crisis as being a decisive entry into market relations and the active development of commerical activities. This means creating joint firms and enterprises, financially autonomous commercial centers, the use of contract tariffs, the organization of a railway joint-stock insurance company, the creation of a rail-transport commercial bank, the develoment of freight-forwarding activities, and the fuller use of containerization, including international container transport.

In order to attract foreign currency, it is planned to develop more actively foreign tourism, including the sale of tickets for international journeys. As for passenger conveyance within the union, additional profit can be made here by improving services on the trains. After all, the sale of newspapers and magazines, the showing of video films, and the hiring of table games and books can be organized for the passengers. It is perfectly possible to install games machines for children in a special car, since a suitable level of service is valued quite highly throughout the world. Well, all that taken together seems to me to promise high profits for the sector.

Fines for Idle Freight Cars Increased

LD2206142391 Moscow TASS International Service in Russian 1207 GMT 21 Jun 91

[Text] Moscow, 21 Jun (TASS)—The USSR Cabinet of Ministers has decided to increase fines fivefold for freight cars and containers standing idle above norm from 1 July to 31 December. This decision has been made to improve the use of railway rolling stock and to increase mutual responsibility of the consignor of goods, the consignee, and also railway workers themselves.

TASS Reviews 24 June PRAVDA

LD2406055591 Moscow TASS in English 0548 GMT 24 Jun 91

["Soviet PRAVDA Review"—TASS headline]

[Text] Moscow June 24 TASS—President Mauno Koivisto of Finland and his wife will make an official visit to the Soviet Union on June 24 and 25, at the invitation of President Mikhail Gorbachev, today's PRAVDA reports.

PRAVDA carries Mikhail Gorbachev's greetings to India's new Prime Minister Narasimha Rao, congratulating him with his appointment.

It publishes Gorbachev's greetings to the 9th European Congress of Neurosurgeons, which began in Moscow on Sunday.

PRAVDA publishes several stories, marking the 50th anniversary of the Nazi invasion of the Soviet Union.

It devotes page four to stories about the pre-war situation, the first day of the invasion and the international response to the aggression against the Soviet Union.

The newspaper comments on assessments of President Mikhail Gorbachev's performance in the Soviet Union and abroad.

Explaining Gorbachev's position on key domestic and international issues, PRAVDA quotes him as saying that "the interests of society should be placed above party, group, local, departmental and any other private interests".

In its international section, PRAVDA comments on a peace settlement in El Salvador.

Joint efforts by the Soviet Union and the United States should give a new impulse to the process, it says. Soviet Foreign Minister Aleksandr Bessmertnykh and U.S.Secretary of State James Baker discussed developments in Central America during their recent meeting in Berlin, it says.

TASS Reviews 22 June Soviet Press

LD2206082791 Moscow TASS in English 0547 GMT 22 Jun 91

["Press Review"—TASS headline]

[Text] Moscow June 22 TASS—Today's newspapers carry articles dedicated to the 50th anniversary of the start of the great Patriotic War of the Soviet people and run an address by the president of the USSR.

Having recalled that the war claimed a toll of 27 million lives of Soviet people, reduced to ruin thousands of towns and villages, the head of the Soviet state pointed out that the victory in the liberation struggle was won at a great price, by strenuous effort, and due to the unbreakable unity of all peoples of the country.

"This is the main factor behind the victory and a great moral lesson to us," the president emphasised.

In an address to the parliaments and peoples of the world, published in the press today, the USSR Supreme Soviet calls for preventing a recurrence of the tragedy, for ridding the world of the stocks of murderous weapons and directing relations between states and peoples into the channel of constructive dialogue, mutual understanding and cooperation.

The Soviet parliament also called on the peoples of the Soviet Union not to forget the lessons of the war. The duty of the state to its people is to keep vigilant and show the necessary care for the Soviet Armed Forces.

PRAVDA dedicates a special edition to the heroic and sorrowful pages of the first days of the war. "This Is How It Happened" is the headline of a double-spread article listing the chronology of the tragedy as shown in eyewitness accounts and documents.

KOMSOMOLSKAYA PRAVDA, KRASNAYA ZVEZDA, RABOCHAYA TRIBUNA and TRUD carry feature stories about participants and veterans of the war, soldiers' letters from the front and reminiscences by military leaders and rank-and-file soldiers about the 1,418 days of the battle against fascism.

PRAVDA carries telegrams that President Mikhail Gorbachev and German President Richard von Weizsaecker and Chancellor Helmut Kohl exchanged in connection with the 50th anniversary of the start of the war.

The newspaper reports a debate in the Soviet parliament on the report made by Prime Minister Valentin Pavlov about the socio-political and economic situation in the country.

The prime minister raised the question of the need for the government to get additional powers. In this connection those present at the parliament meeting were addressed by President Gorbachev. He said that the Cabinet was acting within the framework of the policy of the radical renewal of the society and was enjoying full support from the president.

The presidents of the Soviet Union and the United States had a regular telephone talk on June 21. A report to this effect, published in today's PRAVDA, points out that the two presidents discussed current affairs and exchanged views on various matters concerning bilateral relations.

"Does the USSR remain a great power?" is the question that Nikolay Shishlin, PRAVDA'S political news analyst, tries to answer.

"Judgements about the loss of the status of a great power by the Soviet Union have grown out of our own woes and troubles," Shishlin writes.

Analysing deep changes that have taken place in the world over recent years, the publicist stresses that they became possible due to the efforts of the Soviet Union. "Our country acts as an active initiator of processes that have already resulted in the end of the cold war and opened up ample opportunities for the formation of a world civilisation free from any walls and barriers. It is precisely this role that befits a great power," Shishlin concludes.

Soviet Economist G. Yavlinskiy describes in TRUD newspaper a blueprint, worked out together with U.S.

experts, for economic transformations and for the Soviet Union's integration into the world economy.

"The essence of the project is to find ways to successfully complete our economic reforms in cooperation with and support from the West," Yavlinksiy stated.

Aleksandr Seleznev, dr. of science (economics), shares his ideas in RABOCHAYA TRIBUNA about the privatisation of the economy.

Analysing a Union bill on the transfer of state property to other owners and privatisation, he points to serious flaws of the project. The scientist believes that it is inadmissible to reduce the transfer of state property to other owners only to privatisation.

It is essential to resolve the basic issue—that concerning the conversion of state property into citizens' property, i.e., private property. Restrictions on the concentration of property in one hands are necessary, just as measures against the legalisation of shadow capital and its penetration into basic branches of the economy, Seleznev maintains.

PRAVDA comments on the decisions of the Berlin session of the foreign ministers' council of the Conference on Security and Cooperation in Europe (CSCE) member-states. The newspaper's correspondent Aleksander Stepanov analyses the foreign ministers' decision to "create a mechanism for consultations and joint action in emergency situations".

SOVETSKAYA ROSSIYA writes in this connection that that was a session that justified expectations and made a step towards trust and cooperation.

Newspapers cover the stay of Russia's President Boris Yeltsin in the United States. PRAVDA emphasises that the Russian president's statement that the parliament of the Russian Federation had decided to end any aid to all foreign states without exception became a sensation to U.S. Government circles.

Economic

Reaction to Chevron Tengiz Project Noted

PM2106165391 Moscow MOSCOW NEWS in English No. 23, 9-16 Jun 90 p 13

[Unattributed commentary under "Returning to the Theme" rubric: "The Soviet-U.S. Oil Project Debate"]

[Text] The article "Dirty Deal" (MN No. 22) about the proposed deal between Soviet organizations and the US Chevron Oil Company to jointly control the Tengiz oil field has sparked wide comment in the mass media both here and abroad.

The LOS ANGELES TIMES, for example, carried (May 30) the reaction of Chevron executives and the remark made by the speaker of the Soviet parliament Anatoliy Lukyanov on possible discussions of the joint venture in parliament.

The Russian TV news programme Vesti reported Chevron's comment that the Moscow News article "contains inaccurate, confused and distorted interpretations of our tentative joint venture agreement". Chevron says that MOSCOW NEWS contains "the erroneous suggestion that Chevron has spent money improperly". It goes on to say: "We can guarantee that we have not made any improper payments to anyone. As a matter of policy, we will not comment on specific numbers contained in the Moscow News story because the story deals with ongoing negotiations."

The Tengiz oil fields problem has also drawn a response from the Russian-language newspaper BUSINESS WORLD (Nos. 113-114). It thinks that the Soviet-American deal is such that, given the high degree of financial and ecological risk, the American partners who make practically no investment before the fields become operational run almost no risk—"all losses in connection with the risks of the project will in fact be borne by the Soviet side". The newspaper insists that "there should be an international contest of contractors" and that the public should be told about the "work methods of the USSR agency (the Ministry of Oil and Gas Industry—Ed.) when it prepares international projects". As we can see, the key problem of the Tengiz project is obvious to more publications than MN: in blaming foreign partners the agency should try to see its own faults. MN will continue discussion of this topic soon.

Opinion Poll Rates Cost for 'Comfortable Life'

OW2406095291 Moscow INTERFAX in English 0930 GMT 21 Jun 91

[From "Viewpoint"; following item transmitted via KYODO]

[Text] Over 500 roubles a month per person are needed now for a normally comfortable life.

That's the opinion of a third of the poll held by the National Public Opinion Studies Centre in May-June this year. The sample was 1,255 people representing the urban and rural population of Russia—reports the DATA News Agency.

Every fifth of those polled named 300-400 roubles as the adequate sum.

17% would be content with 400-500 roubles.

A monthly income of 250-300 roubles per member of the family would satisfy 11% of the respondents; of 200-250—6%, and of 150-200—3% of the poll.

Only one per hundred is happy with 100-150 roubles.

These statistics mean that only 21% of the poll estimate the cost of life below 300 roubles a month.

The probable error is 3%.

Republic Chambers of Trade Discuss Cooperation

PM1906163791 Moscow IZVESTIYA in Russian 14 Jun 91 Union Edition p 1

[BALTIJA report from the "IZVESTIYA, TASS, INTERFAX, BALTFAX, BALTIJA, REUTERS" column: "Chambers of Trade and Industry Meet"]

[Text] "We appreciate your problems, but it is not our job to solve them," Vagn Jensen, deputy director general of the Danish Chamber of Trade and Industry, said in a 12 June speech to the Riga conference of leaders of chambers of trade and industry from all the Union republics and 13 regions of Russia, BALTIJA reports.

Helping to organize lasting and mutually advantageous ties between enterprises and organizations is the task facing the conference participants. It transpired that, above all, information is needed on the laws being adopted in the republics in the economic sphere, on production potential, and on individual enterprises' requirements. The exchange of this information will be the main point of a treaty on cooperation to be signed by the leaders of the chambers of trade and industry.

'Draconian' Levies Imposed on Shortage Items

PM2406084191 Moscow KOMSOMOLSKAYA PRAVDA in Russian 15 Jun 91 p 1

[Report by V. Prokopenko: "Returning to the USSR Becomes Expensive"]

[Text] New rates of customs duty on items sent to the USSR by international mail or brought in by citizens crossing the border come into effect on 1 July.

We can not publish the closely written 25-page document in full. Here are just some of the striking items:

...cigars, cigarettes, tobacco: minimum rate of 100 rubles [R] per kilogram gross; maximum of R400.

...overcoats and short coats made from valuable furs: R1,500 when sent by international mail or when imported for offices of foreign firms, banks or other foreign organizations, and also for Soviet organizations not registered for foreign economic dealings. And R15,000 for fur coats imported "in quantities that considerably exceed the scale of personal use." (I was unable to establish how they decide how many fur coats are sufficient for the needs of one individual—V. Prokopenko).

...stockings and knee-length and short socks, as well as brassieres and corsets: R4 and R8. Handkerchiefs: R0.5!

Video camera: R1,500-R10,000; video recorder: R1,500-R8,000; cars with various engine sizes: from R10,000-R30,000 minimum rate to R30,000-R70,000 maximum.

You can bring modeling clay, "mouth and teeth hygiene agents," and several other trifles into the USSR without paying duty because, evidently, according to the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet, they are not in demand here.

Beware: Mechanical pencils are no bagatelle! You will have to pay 50 kopeks for each one.

The experts from the USSR Main Administration for State Customs Control, who prepared this order, numbered 189 and dated 30 May 1991, claim that the sharp increase in customs duty rates has no political purpose. Allegedly it will penalize only those business people who are concealing large consignment of imports in the guise of private shipments. And no one seems to be bothered that prices of imported goods are bound to soar as a result of the draconian measures.

Incidentally, the USSR Main Administration for State Customs Control's days are numbered. It has already been decided to set up a USSR Customs Committee, which, in turn, is necessary only if there is a strong Union Treaty. There will be no committee if it has nothing to do. So if Order No. 189 turns out to be a routine antimarket act, there will be nobody to answer for it tomorrow either.

Privatization, Demonopolization Principles Debated

LD2406013191

[Editorial Report] Moscow Central Television First Program Network in Russian at 1652 GMT on 23 June broadcasts "Direct Conversation: Who Should Be the Master of an Enterprise?"—a 64-minute live debate on the issue of privatization and demonopolization introduced by Arkadiy Afrikanovich Masslennikov, who notes that the specific subject is the draft law on the basic principles of destatification and privatization of enterprises which is currently being debated by the USSR Supreme Soviet. The second reading of this bill has been going on for several weeks now, he says, but point-by-point discussion has not yet started. The authors of the bill have received a lot of flak in the press, he notes—they are accused of selling off the nation's assets to black marketeers and foreign millionaires.

Participating in the program are Aleksey Nikolayevich Boyko, head of a working group which drew up the USSR Supreme Soviet's draft law on the subject; Vitaliy Ivanovich Vidyapin, an economist, rector of the Plekhanov Institute of the National Economy; Yuriy Anatoliyevich Prokofyev, first secretary of Moscow City Party Committee; and Stanislav Vasilyevich Assekritov, chairman of the State Assets Fund, who helped to draw up the bill. Masslennikov invites questions from the public, and gives a telephone number for calls.

Boyko begins the discussion by talking about the basis on which the law on destatification and privatization was drawn up. The law complies with the USSR Law on Ownership and the USSR Constitution, he says. It aims to promote the switch to a market economy by reducing the state monopoly on ownership. He quotes Marx in support of the bill. The work force is given priority in everything, he states—there are only two exceptions to this, forced destatification and bankruptcy. The law applies first and foremost to all-Union assets. He says it is a flexible law; it does not tie the hands of the republics.

Prokofyev says the Moscow City Party Committee commission on socioeconomic questions has studied the law. He says that the party considers the law to be vitally necessary—however, a wide variety of views must be sought and tapped. The bill has not had enough publicity. The aim of destatification is to give enterprises greater independence, he says. He talks about the experience of eastern Europe and Britain. Privatization has proved to be a protracted process there, he says. A second point, he says, is that every Soviet citizen is entitled to a share in ownership. Starting conditions should be equal. He criticizes the bill's vagueness on this point. Finally, the collective must have the final word on the ultimate ownership of an enterprise, says Prokofyev—this is the position of the city party committee. A viewer asks why Prokofyev belongs to a committee on privatization. Maslennikov explains that the panel is not a committee on privatization: it is a roundtable of specialists.

Stanislav Vasilyevich Assekritov says that the current Supreme Soviet debate is a difficult one. The law on ownership which was passed last year is not working. The law does not affect republican assets other than providing guidance or recommendations. He stresses that producers must have greater independence. The state sector will continue to exist, he says. Privatization will only take place in those areas of the economy where state intervention does not work—retail trade, consumer services, light industry. A viewer asks how the interests of workers will be protected. Others express concern about unemployment.

Boyko then talks about the second, reworked draft of his bill after Maslennikov says that the first was deemed unsatisfactory. Division and distribution should occur in such a way that output benefits, Boyko says, quoting Lenin. It is no good giving away equal shares in assets if this leads to economic collapse. Massive distribution of dividends would prevent enterprises building up the capital they need to operate, says Boyko. An enterprise can only be sold if its work force agrees. This is a guarantee that enterprises will not fall into the hands of black marketeers or foreigners, he says. Republics will help to ensure that buyers do not acquire more than their fair share, says Boyko—a maximum limit of 30 percent has been set.

Maslennikov then summarizes the discussion so far. The aim should be to combine maximum economic efficiency with social justice. Prokofyev agrees that the work force should have a decisive say in what happens, but he points out that enterprises differ. There are giant enterprises like Kamaz, in which taxpayers' money has been invested, he says. There are coal mines which have rich seams, and coal mines which have poor ones. Prokofyev praises work done by the Moscow Plekhanov Institute on the subject of destatification and privatization. Maslennikov says that the program is receiving many telephone calls from servicemen. What is their position under privatization? he asks.

Vidyapin then says that the aim should be to motivate workers—this is why the market is needed. He favors the switch to the market. The market is essential, he says—this is accepted by everyone now. Ownership is irrelevant in a market. The key components in a market, says Vidyapin, are a buyer and a seller; the most important question is how privatization will be effected. He talks about the position of the employer. The market does not work without employers. Unfortunately, he notes, our employers are "illiterate." We have a lot to learn from the West, he says. He praises the Russian approach to privatization. Discussing various forms of shareholding, he says he prefers "ownership accounts" to the "investment accounts" proposed in Russia. Dividends will be paid. This option will not encourage inflation. But dividends do not have to be paid if there are no funds available. He talks about the distinctions between the central program for destatification and the Russian program.

Prokofyev and Maslennikov read out a number of questions from viewers. Boyko says that the important thing in a market is not the type of ownership, but the fact that the producer has independence. He asks viewers not to misunderstand his bill. He reckons that 30 percent of total national assets can be distributed free of charge in the form of certificates—certification. This is a tolerable amount. The bill, says Boyko, draws a distinction between assets which will be sold, and ones which will be given away.

Maslennikov invites the panel to discuss specific examples rather than talk in generalities. Assekritov talks about the position of pensioners. He favors a system in which pensioners will receive the proportion of privatized assets which corresponds to their length of service in employment before retiring. He is against a completely equal redistribution of assets. He describes the Ministry of Defense as the richest asset-holder in the country. Privatization in this sector will be directed toward the provision of social welfare—the construction of housing, for example. Servicemen will also be entitled to certificates or investment books, says Assekritov. Maslennikov reads out more questions. Why are national assets being plundered under the pretext of privatization, asks a listener.

Assekritov says there are two concepts in the law—first destatification, and secondly privatization. Defense sector enterprises will not be privatized, he says. Major enterprises will not be privatized. These include Kamaz and the Cherepovets metallurgical works. The issue of shares, transforming them into joint stock companies, is the best way of breaking up big monopolies—

destatification, he says. The work force should decide on the best form. Communications systems will not be privatized, he says, though destatification may happen later. It is small enterprises which will be privatized, he says—ones like baths, hairdressers, shops, workshops, etc. Consumer cooperatives will not be privatized, says Assekritov, because they cannot be privatized. They do not belong to the state sector, in any case. Tsentrosoyuz is not a state enterprise, he says, whatever people think.

A viewer complains that the panel has been badly selected. An enterprise director should have been invited. Another asks which parties the panellists belong to. Are they competent? Is the presenter competent? Maslennikov defends his position as presenter. He says the participants are speaking as economists, not politicians. They are leading specialists on the economy. This is not a party discussion, he says. However, Prokofyev does represent the Communist Party. Prokofyev objects, saying he is also a candidate of economics. He answers a question about Yeltsin's statement in the United States about not building socialism or communism, but following the road of the United States and other civilized countries. Prokofyev talks about a meeting in Prague addressed by Trudeau, former prime minister of Canada. Trudeau said that neither capitalism nor socialism would solve all questions today. Both systems have imperfections, he said. Therefore it is not good blindly copying the United States, says Prokofyev. This would be a return to the 19th century. The Soviet Union would be left far behind he says—a third way is needed. This is what the country is now trying to find. Politicians should not speak in the name of the people, says Prokofyev. Too many politicians do this, trying to exploit its name. Prokofyev says that the subject of privatization has not been sufficiently discussed in the country. Poland held two referenda before embarking on its shock therapy. The consent of the people must be sought before such a major economic reform, says Prokofyev.

Two questions are asked about the assets of the CPSU. Assekritov talks about the position of people in the Baltic republics, Russians living there. Boyko repeats that there is a de jure basis for the new law, namely the Constitution of 1977. The time for protesting has passed, he says. Boyko talks about Yeltsin's victory in the presidential election. The people voted for the course proposed in the law, he says. Prokofyev interrupts to say that Yeltsin is not in favor of wholesale privatization—he should not be misrepresented. Boyko says that Yeltsin is for the market, destatification, and privatization. He adds that he wants the bill passed as soon as possible, so that the republics can know where they stand vis-a-vis the Union. If there is to be a referendum on privatization, it should be held by each individual republic, not at the Union level, he says—the republics must decide this question. The bill provides the legal framework for privatization, legalizing it, says Boyko. It is up to the individual republics themselves to decide whether they actually want privatization at all. Boyko agrees that one aim of the bill is to forestall free-for-all privatization.

Assekritov says that the Congress of People's Deputies has given its approval to privatization already. Referenda are an expensive luxury when the people's representatives have already decided. They should be avoided if possible, he says. A viewer asks what assets the Union will be left with after the Union treaty is signed. Assekritov answers this question. According to the latest version of the Union treaty, these assets include major transport facilities, defense facilities, space installations, geodesy, cartography, communications, and energy, he says. No all-Union assets will be disposed of completely free of charge or for knockdown prices, says Assekritov. All workers will be treated the same. They will not be divided into classes or categories, he says.

Prokofyev says that party buildings in Moscow were erected out of funds subscribed by party members. No public money was invested in them, he says. Vidyapin answers a question about dividends saying: The law may be applied in different ways in different republics.

Boyko talks about the position of all-Union assets in the Baltic republics. This question must be settled as quickly as possible by the committee of ministers, he says—a treaty must be concluded. The best solution would be the share deal solution, he says. Shares would be divided between the republics and the Union, and then possibly sold. The only enterprises to be compulsorily privatized in the country will be loss-making ones, Boyko says. Shares can be passed by sale from one owner to another, he says, though not necessarily right away. British experience shows that only about 10 percent of the population are interested in holding shares. The bulk of the population are not interested in entrepreneurship, he asserts. Assets are not to be given away, but sold.

Maslennikov then says that time has run out. He apologizes for the fact that they have not been able to answer all the questions that have been received. The debate on destatification will be continued in the USSR Supreme Soviet tomorrow, he says. It is appreciated that a large part of the population are opposed to a free handover or sell-off of the people's assets, he says. Boyko says the whole debate will be shown on television. Maslennikov hopes that the program has been informative.

Tax Cuts Due to Inter-Parliament 'Rivalry'

PM2006102991 Moscow IZVESTIYA in Russian
14 Jun 91 Union Edition p 1

[Report by A. Protsenko under the "Theme of the Day" rubric: "Union Parliament Has Given Us Permission To Be Rich"]

[Text] On the very eve of the Russian presidential election the USSR Supreme Soviet adopted an amendment to the Law "On Income Tax on USSR Citizens, Foreign Citizens, and People Without Citizenship" and our state immediately found itself in debt to us. Because until now if we earned 160 rubles [R] or more a month we paid, as a rule, 13 percent income tax, but now it turns out that in April and May they could only take 12 percent from us. That is from those people whose monthly earnings are less than R700. For those who earn more than R700 the gain is even greater. Because now "progressive" taxation only begins after the first R1,000. The bill amending the law was adopted last Tuesday but is retroactive to 1 April—thus the state owes us the amount of excess tax that we paid. Which is pleasant, of course. But that is not the full import of the act adopted by the parliamentarians.

First, let us note that the system for taxing citizens has now been considerably simplified. Whereas before the attempt to take every single ruble into account produced 57 different tax bands and drove accountants out of their minds, now taxes can be calculated by a second-grader. Suffice it to recall that earnings up to R160 are not taxed at all. From there to the first R1,000 you pay 12 percent; the second thousand is taxed at 15 percent; the third is at 20 percent; and on subsequent thousands and millions you pay 30 percent.

That is all. You keep the rest.

The tax rates on author's royalties and personal earnings from business activity have been changed—the maximum rate is 30 percent here now as well. In other words, henceforth we are all allowed to become rich. If we have the ability. And that is the main point in the new law.

Of course, at a time when even government members are stating that a quarter of the country's population is living below the poverty line, to talk about incomes running into the thousands would seem not quite appropriate. But let's remember that a year ago, when the Union law on taxation was introduced, R700 a month was considered the "normal" wage marking the point at which progressive taxation began to apply. Ministers, academicians, miners, metal workers, and the rest were thought to receive so much through "dubious" means.

Economists told the legislators: This is not the way to go about it. Punitive taxation leads to a loss of business activity and minimizes incentives to productive labor. They were ignored. And as for the warnings about the inflation to come when "progressive" taxation becomes extortionate even for ordinary workers and employees—those warnings were not heeded either.

But the predictions about inflation came true in less than a year—the R700 "ministerial" salary did indeed turn into the "average wage" not only for miners and metal workers but also, for example, for public transport drivers. And since 2 April it has become clear to everyone that the figure of R700, which until quite recently was the "ceiling," is small change now.

Incidentally, the first to grasp this fact were members of the Union government and Union parliament. In any event, the official pay raise after 2 April happened among those categories of workers: In June Union ministers' salaries rose to R1,700, the deputy chairmen of the chambers and chairman of parliamentary standing bodies now receive R1,600 a month instead of R850, and the chairmen of the chambers each receive R1,900.

Generally speaking then, raising the threshhold where progressive taxation begins is believed to have been a timely measure.

But I cannot help thinking that such a progressive amendments law was adopted less for the benefit of our legislators and rulers than as a result of the rivalry between the Union and Russian parliaments. Judge for yourselves. After the adoption of the Union law on personal taxation the Russian parliament adopted a law of its own—"On the Procedure for Applying Union Legislation"—for which it was rebuked by the USSR Finance Ministry and the Union government. The people, however, were happy—the Russian law set more generous tax rates.

On the eve of the Unionwide price increases the Union tax law was amended—the USSR President issued the decree "On Introducing a Temporary Procedure for Levying Taxes on Enterprises, Associations, Organizations, and Citizens," in which the tax-free allowance was raised from R100 to R160 and the maximum tax was reduced from 60 percent to 50 percent. Almost a month later, the Russian Supreme Soviet Presidium introduced its own "provisional amendments": the tax-free allowance was raised to R210 and tax rates were reduced (compared with the Union rates).

Another month passed and the Russian government announced that it intended to radically revise the personal taxation system and set a tax limit of 30 percent. The Union Cabinet of Ministers beat it to the punch: On 19 May, V. Pavlov presented to the USSR Supreme Soviet a draft new law setting the same 30-percent ceiling. Deputies accepted the Prime Minister's proposal.

No, I am not wondering how the Russian parliamentarians will "retaliate" and what tax concessions they will dream up. The Union law seems sufficiently radical and there is no sense in "improving" even further. But at the beginning of this year the accountants of many Moscow enterprises, for example, were in turmoil: What law should they obey and what scale should they use for levying income tax—the Union or the Russian? Now they face the same dilemma again.

Furthermore, let us bear in mind that in the process of elaborating the Union treaty it seems already decided that the Union budget will consist of republic contributions to Unionwide needs and coordinated targeted programs. Thus the taxation system should now only concern republic parliamentarians—because all tax revenues will be paid into the republic and local budgets. So was it not better for the Union parliament to prescribe only certain principles and foundations of taxation and leave the republics the arduous task of determining actual tax rates?

Be that as it may, a good job has been done: Hardly any republic parliament will now dare to set tax rates higher than those prescribed in the Union law. Which means that all of us, I repeat, have been given the opportunity to earn a lot without having to keep one eye on the tax inspector.

Bank Chairman Discusses Ruble Convertability

LD2206113291

[Editorial Report] Moscow Central Television First Program Network in Russian at 1546 GMT on 21 June carries a 16-minute report by Galina Kalashnikova on convertability of the ruble entitled "Will We Live To See Conversion?"

In a five-minute interview, Viktor Vladimirovich Gerashchenko, chairman of the board of the USSR State bank, explains to Kalashnikova that any currency has various levels of convertibility and the government anti-crisis program envisages domestic convertibility. He notes the need to reject the system which has arisen over the past two years, whereby the hard currency from an export remains only with the last vendor of the export, with none going to those who produced the item for export. A more just system involves domestic convertibility, "where hard currency earned abroad from export has to be sold at an interbank market, and any, as they say, entrepreneur, any firm or physical entity can buy this hard currency on the market for its needs at the market rate. And here arises a whole range of tasks, the solutions to which, in my opinion, are not as simple as they seem to some of our leaders. In my view, you understand, to dream that in the very near future we will be able to embark on a realistic rouble exchange rate with foreign currency is a certain, I would say, idealization of the situation." He adds that ruble convertibility will involve exporting for hard currency and presenting foreign investors with the opportunity to invest hard currency in the Soviet economy, as envisaged by parliament in the law on investment. The State Bank chairman sees the main obstacle to Western entry into the Soviet market as the underdeveloped economic and legal infrastructure and, the main thing, developing political instability.

The report also includes various interviews with Muscovites and street vendors, who talk pessimistically about the Soviet economy, and Nadezhda Avgustovna Balanovskaya, the director of the Trekh Gorki fabric firm, who says that firms should receive 90 percent of hard currency earnings instead of 20 percent, and that lack of hard currency investment means that her firm's fabrics are uncompetitive on the foreign market.

Ruble-Dollar 18 Jun Exchange Rate Cited

PM2006114591 Moscow IZVESTIYA in Russian 19 Jun 91 Union Edition p 1

[Report by I. Zhagel: "Currency Exchange Rate: 42 Rubles a Dollar"]

[Text] On 18 June routine auctions at the USSR State Bank currency exchange were held. They were marked by two events. The first can be categorized as good, that is two more banks became members of the exchange, their total number now being 14. Understandably, the more banking institutions take part in the auctions, the less these auctions will be subject to fortuitous factors and speculative operations.

But today the situation on the currency exchange is still far from normal. It is no accident that the ruble's rate of exchange against the U.S. dollar has soared to 42 rubles [R] at the present auctions. And this is the second piece of news, sad news this time, since for the first time the rate has passed the R40 mark. What had decisive influence on this?

There is no doubt that here we must cite the USSR Ministry of Finances resolution "on the taxation of profit obtained from the sale of currency assets at auctions" issued in early June. In accordance with the resolution enterprises must now give approximately one third of their profit in rubles acquired after the sale of honestly earned hard currency. Yet after all they have already made considerable deductions from these funds, including the notorious 40 percent tax on hard currency profit.

Naturally this has forced many of them to delay selling currency. And perhaps for the first time since the exchange started to operate there were more than twice as many people anxious to buy currency at the present auctions than there were people anxious to sell. After that should we be surprised at the leap in the exchange rate.

The USSR Ministry of Finances resolution is surprising not only by its destructive nature but also by its attempt to introduce a new tax retroactively—as of 1 January 1991. After all, many enterprises simply no longer have those funds. They have been invested in their business, paid out as wages, or simply swallowed up. Would the Ministry of Finances, in collecting money with one hand, not later have to pay out additional amounts with the other hand to those enterprises which would be on the verge of bankruptcy as a result of this financial policy?

Obviously, in introducing the new tax the Ministry of Finances officials should have also thought about the state of the currency market. Its development, the stabilization of the ruble exchange rate, the ruble's transformation into a more or less hard currency would undoubtedly give our economy many advantages. And it is stupid to be in a rush here and to bring in the harvest before it is ripe.

And another thing. As is well known, in a case when the volume of operations on the currency exchange exceeds $10 million, the exchange rate established here also extends to some nontrade operations, that is it is used for the exchange of currency by ordinary citizens going abroad. Today this rate is still R27.6 for one U.S. dollar. But, considering that the volume of operations on the currency exchange has recently been constantly at the level of $7-8 million, the day is not far off when this fatal line will be crossed. And to artificially inflate the exchange rate on the threshold of this event means restricting opportunities for Soviet citizens to travel abroad for leisure, to visit relations, or on official trips. Not to mention the fact that this exchange rate reduces the volumes of goods purchased and turns the enterprises' attempts to acquire imported equipment for the production of consumer goods in our country into a pointless task.

Independent Miners' Union Holds Conference

PM2106133391 Moscow ROSSIYSKAYA GAZETA in Russian 18 Jun 91 p 1

[RIA report under the "News" rubric: "Step Toward Independence"]

[Text] Around 6 million Kuzbass miners have left the "state trade union" and joined the Independent Miners Trade Union. This trade union's founding conference was held in Kemerovo Oblast's Kiselevsk City. Representatives of primary organizations which have been set up in the coalfield's mines approved a statute and elected the leading organ—the Executive Bureau. It is headed by Vyacheslav Sharipov, member of the Council of Kuzbass Workers' Committees.

Cabinet Increases Idle Freight Car Fines

LD2306081791 Moscow All-Union Radio Mayak Network in Russian 0430 GMT 23 Jun 91

[Text] The USSR Cabinet of Ministers has decided to increase five-fold fines for freight cars and containers which stand idle above the permitted standard in the period 1 July - 31 December. In the view of the Cabinet of Ministers this will help to improve the operation of rolling-stock and enhance the mutual responsibility of railway workers, senders, and recipients of freight.

Maritime Industrial Decline Likely To Continue

OW2006064991 Moscow INTERFAX in English 1530 GMT 19 Jun 91

[Following item transmitted via KYODO]

[Text] According to the head of the Planning Directorate of the government of the Maritime territory [Kray] in the Far East Nikolay Pimenov, industrial decline in the region will continue next year. He told IF [INTERFAX] that overall industrial decline so far this year has been between 6 and 7 percent. A turning point will come toward the middle of next year when the region will have to abandon centralized supplies and fend for itself. Nikolay Pimenov feels industrial managers will not be prepared to cope with that situation. He says that the Maritime Territory cannot do without access to the world market, but the absence of appropriate laws makes it impossible to gain it at present. The most promising potential partners are China, South Korea and Japan, but contacts' are only beginning at this point.

License for Irkutsk to Export Raw Materials

LD2306104291 Moscow All-Union Radio Mayak Network in Russian 0800 GMT 23 Jun 91

[Text] The country's Cabinet of Ministers has agreed the general license for the Irkutsk Oblast, giving it the right to export part of its raw material resources to a value of approximately 500 million currency rubles. The intention is to use this money for purchasing up-to-date technology and equipment for the manufacturing of consumer goods and processing complexes.

Minister on Soviet-Japanese Fishing Accord

91UF0880A Moscow IZVESTIYA in Russian 17 Jun 91 Union Edition p 5

[Interview with V.K. Zilanov, representative of the USSR Government in the mixed Soviet-Japanese commission for fishing and deputy USSR minister of the fishing industry, by IZVESTIYA correspondent T. Shkolnikova; place and date not given: "USSR-Japan: the Fishing Balance"]

[Text] **The Soviet Union and Japan are the two largest fishing powers of the world. The same seas wash the shores of our two countries. This is why it is natural that fishing issues were one of the main "talking points" during the USSR president's recent visit to Tokyo. A joint Soviet-Japanese declaration on the issues of developing cooperation in the sphere of fisheries was signed; these issues were noted specifically in the final document on the visit. They were worked out in detail for the earliest practical implementation in the course of Soviet-Japanese consultations just completed in Moscow at the level of ministers in charge of fisheries. IZVESTIYA approached V.K. Zilanov, representative of the USSR Government in the mixed Soviet-Japanese commission for fishing and deputy USSR minister of the fishing industry, with a request to comment on the agreements reached.**

[Shkolnikova] Vyacheslav Konstantinovich, will cooperation with Japan help us solve our domestic problems and provide fish for the country?

[Zilanov] The Japanese fishing community is primarily interested in access to our fish and crab resources in the 200-mile zone of the Far East, in expanding imports of a number of Soviet fish products to their country, and in the export of machines and equipment for the fishing industry to our country.

As far as the resources of our zone are concerned, they are not boundless and are almost completely utilized by the Soviet fishing fleet with the exception of some marine life in the coastal zone. We are interested in applying new technology for fish processing, comprehensive utilization of the catch, development of marine farming, as well as mastering the Japanese method of managing the fishing industry within the context of a market economy.

I would also like to note new avenues for cooperation, such as instruction in efficient production methods and practical training for Far Eastern specialists in Japan. By now favorable conditions have been created for the fishing industries of the Far East and Japan to mutually complement each other, in essence to come together, on the basis of market relations.

At present, the main point is to switch quickly to economic forms of operations and to incentives for producers without reducing production, and to proceed toward the market. This may be painful and difficult. In addition, some of the fish, about 10 to 12 percent of overall production, needs to be exported due to a shortage of foreign exchange for supporting the operation of the fleet from foreign ports. This yields more than 220 million foreign-exchange rubles annually. Failing to do this would mean giving up approximately 2.5 million tons of food products.

[Shkolnikova] Has anything changed since the introduction of the 200-mile economic zone?

[Zilanov] First of all, the fishing area in the world's ocean has "shrunk." The operators of Japanese fisheries are developing the resources of their 200-mile waters more successfully. Out of 12 million tons of their annual catch, about nine million are produced within their own zone. Our results are more modest: Out of 11 million tons of our annual catch, we produce about 5.5 million in our own zone, including more than four million tons in Far Eastern seas.

Last year Japanese fishermen caught 92,000 tons of fish in our Far Eastern zone, mainly Pacific saury, walleye pollock, and squid. Soviet fishermen also caught 110,000 tons in the Japanese zone within the framework of quotas assigned to us. They were mackerel and ivashi. The amount of mutual fishing was set at 182,000 tons for each side this year. In addition, at the request of the Japanese side, an additional quota for producing 50,000 tons of fish at $237 per ton was given to Japan.

The year 1991 will become the last year when Japanese fishermen are allowed to catch salmon of Soviet origin beyond the boundary of the 200-mile zones in the open segment of the Pacific. A quota of just 9,000 tons was established.

[Shkolnikova] Three years have passed since the first joint enterprises in the sphere of fisheries were set up, including Soviet-Japanese enterprises in the Far East. What are the prospects for their operation?

[Zilanov] In the sphere of fisheries, 53 joint Soviet-foreign enterprises have been set up in the territory of the Soviet Union, including 16 Soviet-Japanese enterprises, most of which are now engaged in business with the fishermen of the Far East. The operation of the joint enterprises has already produced good results.

To be sure, many difficulties develop due to the different, so far, economic approaches to their operation—a transitional economy in our country and the market economy of our Japanese partners. As our economy switches to market relations the potential of joint enterprises will increase considerably, especially in the field of processing fish products.

During the president's visit, an agreement was reached on creating, in the Far East, an experimental diversified Soviet- Japanese joint enterprise in the sphere of fisheries which will engage not only in processing and selling fish and marine products, but also in building and upgrading ships, shore enterprises, and other facilities of the fishing industry in the Far East.

Nonetheless, for now Japanese businessmen are displaying certain caution, especially with regard to investing capital in joint enterprises. Thus, foreign capital invested in 16 enterprises comes to just over 17 million foreign-exchange rubles. Our partners have just one explanation: instability of legal regulations, lack of clarity in relations between the center, the republic, and the kray or oblast, the absence of material-technical supply, and weaknesses of the infrastructure—in a word, all of our troubles.

However, at times the Japanese side artificially hinders participation by large Japanese companies in joint undertakings and in the receipt of credit from Japanese banks. This is also where restrictions on visits by Soviet fishing vessels at Japanese ports come in: Just one port has been authorized for us. By comparison, the United States has authorized four ports for our fishermen. There was a case in which the Japanese authorities simply forbade the Utari cooperative to participate in the Aniva joint enterprise and to work in the area of the South Kuriles.

[Shkolnikova] This is likely to be due to the fact that Japan insists on the transfer to Japan of these territories which came to belong to the USSR after World War II. What is the actual significance of the South Kuriles from the point of view of the fishing industry?

[Zilanov] Up to 1.5 million tons of fish and other marine life are produced, mainly by our fishermen, in the South Kurile region, within the 200-mile Soviet zone. Large schools of salmon which procreate in the rivers of the islands of Iturup, Kunashir, Shikotan, and Khabomai, as well as Sakhalin, migrate through this region. Therefore, the significance of this region for the Soviet fishing industry is tremendous. The annual value of products from the catch in the region of the South Kuriles alone is estimated to be 2.5 billion rubles. At present, opportunities for closer cooperation in this region are being discussed with the fishermen of the island of Hokkaido. An agreement has been reached on the use of kelp resources; there are proposals to conduct joint research and set up marine farms for breeding salmon.

As a result of consultations between the ministers, an agreement was reached on practical steps to implement the provisions of a joint Soviet-Japanese declaration on the issues of developing cooperation in the sphere of the fishing industry which was signed in April during M. Gorbachev's visit to Japan.

Our fishermen and scientists are ready for this cooperation; both sides will benefit from it.

Market Row Caused by 'Underdevelopment'

PM2406081191 Moscow ROSSIYSKAYA GAZETA in Russian 18 Jun 91 p 2

[Article by Leonid Skoptsov: "Managers' Revolt Rocking Moscow Commodity Exchange for Second Week Running"]

[Text] Less than a year had passed since the foundation of the Moscow Commodity Exchange when Gennadiy Poleshchuk, executive cochairman of the exchange committee, and a number of his subordinates announced that their employer—the exchange committee of the Moscow Commodity Exchange—was dismissed.

In turn, the exchange committee, which comprises representatives of founder-organizations of the Moscow Commodity Exchange, unanimously removed G. Poleshchuk from his post. And the "Boltek" joint venture, which G. Poleshchuk represents on the exchange committee, recalled him from the said committee.

The further development of events is reminiscent of the reportages from the first few years of perestroyka about scandals in the newly-baked cooperatives: The old seal disappears from the exchange offices, and burly new guards appear on the scene. The cochairman, refusing to lay down his powers and hand over the seal, convenes a general meeting of the exchange shareholders for the purpose of electing a new exchange committee.

In response the stockbrokers, concerned about the fate of the invested millions, ask auditors of the USSR Ministry of Finance Control and Auditing Administration to investigate the situation at the exchange. And they postpone the general meeting to a later date to be able to report on the results of the audit.

The list of complaints against G. Poleshchuk is entirely gentlemanly.

"...G.M. Poleshchuk fell into the habit of running up unchecked expenses and spending money from the initial capital. Despite repeated categorical demands on the part of the exchange committee, no breakdown of expenses, nor anything even remotely resembling a financial plan was submitted for our approval. The executive cochairman artificially delayed the opening of a hard currency account (the Moscow Commodity Exchange still does not have such an account) and, without notification or accountability to the exchange committee of the Moscow Commodity Exchange, spent Moscow Commodity Exchange foreign members' currency abroad. We could not but be put on our guard also by G.M. Poleshchuk's constant attempts to secure for himself and some staffers of the Moscow Commodity Exchange the opportunity of obtaining personal income as a result of mediation activities via one or several associated [priblizhennyy] brokers offices." (From a letter from the exchange committee to the Moscow City Soviet Executive Committee).

So what has happened?

Is it simply that people associated not just through business ties but, on their own admission, also friendship ties have fallen out? Well no, not when it is a question of an organization with an initial capital of several tens of millions of rubles [R] and a volume of sales totaling up to R53 million per day; personal squabbles are not the decisive factor. The logic of their conduct is dictated by King Capital.

A couple of decades ago the West experienced a "managers' revolution;" the skill of the manager became to be regarded as the decisive factor in a company's prosperity. The salaries of top managers often exceed severalfold the salary of the U.S. president.

But no matter how much hype is raised around the stars of the business world, no matter how astronomical their salaries, dispassionate statistics list them in the category of hired labor. And when, at the height of the managers' revolution, the all-powerful Henry Ford I found that he could not "get along" with Lee Iacocca, his most outstanding manager, many people viewed Iacocca's dismissal as a loss to the Ford Company. But no one questioned H. Ford's right as owner of the company to decide who should be at the helm.

And so, in my opinion, there are at the root of the conflict between the exchange committee and its executive cochairman more serious and weighty reasons than merely G. Poleshchuk's excessively free use of the funds of the founder-members and other shareholders. In the aforementioned letter to the Moscow City Soviet Executive Committee the exchange committee lists the unresolved problems. They include establishing its own financial center and bank, expanding the trading floor, training staff abroad, and attracting investments... It is worth comparing this list of problems with the list of achievements of the Russian Commodity and Raw Material Exchange—now the Moscow Commodity Exchange's main rival—has to its name in order to see why the former favorite has falled into disgrace. Having taken off swiftly, the Moscow Commodity Exchange has begun to cede ground to its main rival. And in the face of this argument all G. Poleshchuk's past services to the exchange—and the general opinion is that they were considerable—do not, alas, carry weight.

It is not all that important whether the exchange committee's appraisal of its cochairman is fair or unfair.

Something else is important: Hired staff are trying to dictate to employers how the latter should dispose of their property, and in some respects they are succeeding remarkably well. The point is that the rights of the proprietor in our country, despite all recent declarations, are essentially unprotected.

In short, once again the underdevelopment of the market is making itself felt. And so we will blame the fact that instead of a managers' revolution we are, for the time being, merely witnessing instances of their revolt against this underdevelopment.

Agriculture

'Good' Harvest Expected; 'Complications' Noted

LD2106154791 Moscow All-Union Radio Mayak Network in Russian 1400 GMT 21 Jun 91

[Text] A few words about the prospects for the harvest. As always, there are sufficient complications, just as there are every year.

Throughout the week there was rain in Belorussia, the Baltic republics, and the central territory of the European USSR. Of course, this complicated the procurement of fodder and the tending of the crops. But in a number of rayons on Orenburg, Chelyabinsk, Kurgan, and Omsk Oblasts there is a severe drought and the situation is critical. For three months there has been virtually no rain there.

On the whole, however, the country's grain crops are forming ears and flowering. The times for their ripening are close to the average norms over many years, but in the Non-Chernozem Zone and in the northwest their development is one-to-two weeks ahead.

Farms in central Asia and the Transcaucasus are now engaged in large-scale harvesting of grain crops.

In summary, specialists conclude that the harvest this year is expected to be quite good; but the question is whether we will be able to gather it and preserve it.

Shortages, Drought Threaten Crop Production

PM2106131191 Moscow ROSSIYSKAYA GAZETA in Russian 20 Jun 91 p 3

[BBC report under the general heading: "ROSSIYSKAYA GAZETA's Radio Digest"]

[Text] The Soviet Union is threatened with the failure of the grain and potato harvests this year. Valentin Falin, CPSU Central Committee secretary, said that, according to government forecasts, this year's potato harvest will amount to only half of last year's crop. According to him, no estimates have yet been made regarding the grain harvest, but the worst drought this century threatens such important grain areas as the Urals and Kazakhstan. Falin, former ambassador to the FRG, told economic experts in Duesseldorf that strikes in the Soviet Union have resulted in a shortage of combine spares.

Course of Harvest Preparations in Kiev Viewed

PM2006092591 Moscow Central Television First Program Network in Russian 1800 GMT 16 Jun 91

[From the "Vremya" newscast: Report by I. Ilchenko and V. Stepanenko, identified by caption, from Kiev Oblast]

[Text] [Announcer] Despite the gradual onset of changes regarding ownership in our economy, we have particularly serious grounds for concern in its agricultural sector over the fate of the harvest. You need only recall the harvest statistics for last year. Almost 6 million hectares of grain were left to rot under the snow, 230,000 hectares of potatoes were not harvested, and over 1 million hectares of sunflowers were lost. Will this sorrowful record be repeated?

[Ilchenko] This year the grain is standing tall, ears have started to form, and the strong, lush stalks promise a good harvest. And now machine operators' concern is focused on how to save everything which has been grown. And to ensure that the complex technological grain production line does not grind to a halt at the critical moment, things have been well thought out in advance in Boguslavskiy Rayon in Kiev Oblast. People have learned from the bitter experience of recent years when equipment stood idle without fuel and spare parts, and today sufficient petrol and lubricants for the rayon farm vehicles and machinery have been acquired and laid in. It is also good to see an efficient attitude toward harvest equipment. Combines were serviced and readied back in the fall and stored under cover, and at the moment repairs are under way on tractors and machines used during the sowing. They have a heavy workload ahead of them during the harvest too, as the fields are difficult here, crisscrossed by dried-up river beds and gullies, and so account must be taken of the particular working conditions and the additional demands in fuel for the steep hills. But it is not just the equipment which will determine the success of the grain producers. During the harvest there is another equally important side—the social side, which determines the mood of the grain producers and thus their labor productivity.

[Rayon Soviet Deputy V.F. Kruboy, identified by caption] The kolkhozes have taken responsibility for expenses connected with the cost of the machine operators' lunches. I consider that we have solved this problem. But when it comes to the goods which people need there are still shortages—in fact there are practically no goods.

Agrarian Committee Urges Further Measures

914B0186A Moscow SELSKAYA ZHIZN in Russian 20 Jun 91 p 1

[Unattributed article under the rubric "We Will Defend the Countryside and Save the Country": "Urgent Measures Are Demanded!"]

[Text] The USSR Supreme Soviet Committee on Agrarian and Food Policy has adopted the resolution "On the Course of Execution of the 4 April 1991 USSR Supreme Soviet Decree 'On the Situation in Agriculture and Immediate Measures To Prepare for Field Work.'"

It is noted that measures adopted by the USSR Cabinet of Ministers, the ministries and departments of the USSR, and the governments of the Union republics for the execution of this decree are extremely insufficient. The situation with material and technical provision of the agro-industrial complex continues to deteriorate.

Despite the special system introduced by the USSR Cabinet of Ministers to provide agriculture with material and technical resources, the enterprises of agricultural machine-building and vehicle factories, citing the absence of the necessary rolled metal products and component goods, are not providing the deliveries of agricultural equipment, automobiles, and tractors stipulated by state orders.

Import deliveries from Germany of group E-281 combines and accompanying spare parts are being held up, and the plan for the production of domestic combines at the Gomselmash [Gomel agricultural machine-building factory] production association is not being met. Over four months the association fell short on deliveries by more than 2,400 silage harvesters. The situation with the delivery of tractor mowers and balers is no better.

Serious difficulties in the harvesting of grain crops will arise because of a lack of harvesters for "Don" and "Niva" grain combines. The Tula combine factory has had a shortfall of 10,400 grain harvesters. The plan for the delivery of rolled ferrous metal products, steel pipes, and batteries is not being met.

All this has led to a sharp decline in production and deliveries of food resources. For example, over five months purchases of milk, cattle, and poultry decreased by 13 percent in comparison with last year. Fewer early vegetables than last year were grown and delivered. The total volume of production of food during this period fell by seven percent. On many kolkhozes [collective farms], sovkhozes [state farms], and other agricultural enterprises, the level of labor and technical discipline has fallen, a contributing factor being the constant interruptions in the supply of fuel and lubricants, spare parts, chemical fertilizers, toxic chemicals, and other material and technical resources.

For these reasons as well as in conjunction with the existing unfavorable climatic condition in a number of the most important agricultural regions of the country, the situation in agriculture continues to deteriorate and the threat of the onset of famine in the near future may become a reality.

The committee recommended that M.S. Gorbachev, president of the country, the USSR Cabinet of Ministers, and Prime Minister V.S. Pavlov together with the leaders and the governments of the republics adopt exhaustive measures in the coming days to provide agriculture with the material and technical resources, chemical fertilizers, and toxic chemicals stipulated in the rulings that have been adopted. This includes providing the agro-industrial complex, prior to 15 July 1991, with the agricultural equipment stipulated by state orders for the first six months.

It was proposed that strict supervision be established over the provision of fuel and lubricants in accordance with the schedules of the USSR Ministry of Agriculture and Food. It was considered necessary to enlist the city population in a timely fashion in rendering aid in agricultural work.

It was proposed that the USSR Cabinet of Ministers and the governments of the republics, when developing a draft planning forecast of socioeconomic development of the country for 1992 and taking into account the particulars of the period of transition to market relations, include the agro-industrial complex in a high-priority list of key spheres of the national economy subject to guaranteed provision of the most important material and technical resources with the establishment of the state order for them at the Union level.

It was proposed that Agrosnab [expansion not identified] be created as an independent structure under the USSR Ministry of Agriculture and Food.

It was proposed that state support be provided to the agricultural machine-building sector, which to a decisive degree determines scientific and technical progress. And, in conjunction with this, that the appeal of the general directors of enterprises and associations of the USSR Ministry of Automotive and Agricultural Machine Building to the leadership of the country be supported. The creation of a unified hard currency fund of the agro-industrial complex is advisable in coordination with all-Union programs which will be carried out with capital of the Union budget using allocations of the republics.

With the goal of hastening technical retooling of the processing industry of the agro-industrial complex together with increasing the efficiency of the utilization of conversion of defense sectors, it was proposed that the question of the creation under the USSR Ministry of Agricultural Production of a specialized organ which would take upon itself the functions of purchaser and technical coordinator for production of modern equipment be examined.

It was proposed that stable sources of state financing of science of the agro-industrial complex be specially examined and defined inasmuch as the threat of the collapse of scientific institutes and the curtailment of fundamental scientific research and, thus, of the future of agriculture is great at the present time.

The Committee for Agrarian and Food Policy requests that the USSR Supreme Soviet Presidium include in the agenda of the sixth session of the USSR Supreme Soviet a report by the USSR Cabinet of Ministers on the fulfillment of the Appeal of the Group of Agrarian Deputies to the First USSR Congress of People's Deputies.

Agro-Firm's Growth Limited by 'Monopolists'

PM2006122791 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 17 Jun 91

[From the "Vremya" newscast: Report by V. Obraztsov, V. Shibakov, identified by caption, from the Kuban]

[Text] [Announcer] The harvest has begun in the Kuban. As in many other places a great deal now hinges on machinery and the supply of motor fuel. We know from last year's experience what a big stumbling block this can be. It was planned then to gather a record harvest, but a substantial part of it was left to rot under the snow. Grain alone was not harvested from almost 6 million hectares. Let's hope that we have learned our lesson from this experience, and that this situation is not allowed to repeat itself.

[Obraztsov] So far the feed procurement workers have only had a few days of good weather this summer. You could literally count them on your fingers. Yet essentially all of the Rossiya agro-firm's alfafa has been harvested: thanks to this type of combine—Hayssen [as heard] combines. The firm has acquired them abroad as a result of a barter deal. All you need is a couple of these machines and an 80-hectare field is harvested. Can you imagine how much this will reduce feed losses, especially in conditions of a wet summer? Not to mention fuel and transport! According to specialists they will be almost halved. Despite a general decline in milk production, the Rossiya agro-firm has so far exceeded the plan by 1,000 tonnes. And, again, making use of its right to enter the foreign market directly, is acquiring technologies which will enable it to qualitatively improve its output.

[P.A. Datsko, deputy chairman of the firm, identified by caption] Naturally, we would like to work even harder and acquire even more technologies. But it is extremely difficult to acquire licenses, for example. The monopolists, that is the organizations which deal with these questions, are very slow in arranging contacts with companies prepared to enter barter deals rather than selling only for hard currency.

After all, it is no secret that 30 percent of our output perishes. We, for example, grow a lot of vegetables. What we need is fast-freezing facilities for fruit and vegetables. But, of course, we have nothing of the sort.

Expert Comments on Private Farm Development

LD2006090491 Moscow Radio Moscow World Service in English 1910 GMT 18 Jun 91

[Text] The USSR Union of Peasants is holding a congress in Moscow. The Union members are cooperative and individual farmers and also workers at facilities that process farm produce. The congress is discussing measures for carrying out a land reform.

The laws passed on the reform recently have ended the monopoly of possession of land by cooperative and government-owned farms. The peasant now has a freedom of choice. He can buy a plot of land for life-long possession and become a farmer.

In the past year there has appeared 60,000 such farmers. However the process is moving with difficulty. The main resistance comes from the people who want to retain the system of cooperative and government-owned farms. There are also objective difficulties too. The government is short of funds for easy-term credits for all those who wish to start an individual farm. The system of supplying the rural areas with materials and machinery is weak. Nevertheless, there's a continuing flow of applications from peasants to get land.

In the opinion of a well-known farm specialist here, Aleksandr Nikonov, the tendency for peasants to leave cooperatives and government-owned farms will be maintained during the next few years. Dr. Nikonov elaborates. He says, as he has calculated it, within the next three to four years between 300,000 and 400,000 individual farmsteads will be set up in this country. Such farmsteads now total 9 million hectares of land, and the future total will be in the region of 40 million hectares.

Many people feel that the reforms are leading to a breakdown of cooperative and government-owned farms. In the opinion of Dr. Aleksandr Nikonov such fears are groundless.

[Beginn Nikonov recording in Russian fading into English translation] The cooperative and government-owned farms will remain the dominant form of agriculture (?here). However, they will also be reformed, transforming into farming companies, shareholder societies, and the like. A property will be divided between members and will become personal. The people will then have a greater interest in the affairs of the cooperative of government-owned farm.

Today at a time when one third of the cooperative farms are operating at a profit it's absurd to speak of their total elimination. But the firms working at a loss are a different matter since they need subsidies from the government all along and are a burden for it. The peasants should decide for themselves what to do with these cooperative and government-owned farms. Economic reforms give them freedom of action, and that's the main thing. [end recording]

Stroyev Chairs Agrarian Policy Session

914B0182A Moscow SELSKAYA ZHIZN in Russian 8 Jun 91 p 1

[TASS article: "The Fate of the Harvest Is on the Conscience of Each of Us: From a Meeting of the CPSU Central Committee Commission on Questions of Agrarian Policy"]

[Text] In a number of regions the sowing still has not been completed, and the peasants are already becoming alarmed over the harvest work. And there are more than enough grounds. Machine operators, specialists, scholars, and farm, state, and party leaders held a candid, quite heated, and at the same time constructive discussion of this subject at a meeting of the CPSU Central Committee Commission on Questions of Agrarian Policy of the party, which took place on 5 June and was chaired by Ye.S. Stroyev, member of the Politburo and secretary of the CPSU Central Committee.

Having analyzed the existing situation, V.I. Chernoivanov and N.A. Pugin, USSR ministers, reported on measures being undertaken to provide for the execution of harvest efforts. Special attention was paid to the impermissibility of repeating the mistakes of last year, when one-third of the crops that had been grown remained unharvested on the fields in many places. The peasants, overtaken by bad weather, had to face the difficulties of providing for organization and resources practically alone. As a result it was not just the village that suffered but all of society, and the shortage of food even worsened the tensions in the cities and in industrial centers.

But it seems that not all are disposed to learn from the past; some people seem to want to continue the "political games." After all they will not bear any responsibility or suffer for their babbling. On the farms of the Central Asian region, the central oblasts, the Northern Caucasus, Russia, the Ukraine, and other territories, the optimal period for the laying in of fodders is fast approaching and the grain crops are coming up. But there are not merely interruptions in deliveries of fuel and lubricants, especially aviation fuel—the farms do not even have the minimum they need. In other regions the mowing has not yet begun, and the reserves of diesel fuel and gasoline for the harvest are not increasing but rather decreasing catastrophically. The peasants cannot understand why petroleum products are given to individual labor collectives for purchasing food abroad while their own production declines and the livestock are left without fodder.

A critical situation is arising in the provision of fodder and grain harvesting equipment to the farms, especially of combines, mowers, stackers, and balers. The absence of deliveries of metal is the chief reason for the nonfulfillment of contract obligations with regard to the agrarian sphere. Operations at such major production associations as Rostselmash [Rostov agricultural machinery] and Krasnoyarskiy kombaynovyy zavod [Krasnoyarsk combine factory] are virtually paralyzed. But even the machinery that has been manufactured cannot take part in the harvest because of a lack of harvesting machines; the shortfall has reached more than 9,000 machines. The leadership of the Tula combine factory is not taking a critical attitude toward their own operations and is not performing the planned program for the output of harvesters.

What will this lead to? Instead of a strengthening of the technical base of agricultural production, there is a deterioration of its condition in terms of both quantity and quality. The burden of harvest area per grain combine is increasing, making for a virtual return to the level at the beginning of the 1980's—166 hectares per season. The situation with the production of spare parts is even worse; because of an absence of spare parts the stock of unrepaired machinery is reaching 30 percent. And this is under conditions where it will be necessary to go into the field in the very near future to harvest grain and lay in fodder.

At the same time not all leaders, including those at the Union level, have a sense of their responsibility concerning existing circumstances. Deputies of the USSR Supreme Soviet who took part in the work of the Central Committee commission expressed their consternation at the conduct of Minister S.N. Khadzhayev (USSR minister of the Chemical and Petroleum Refining Ministry), for whom personal ambitions exceed his understanding of the need to size up the situation and take emergency measures to rectify chronic failures in the operations of the sector to satisfy the immediate needs of the countryside.

F.T. Derkach, the leader of the leased collective from the Chapayev kolkhoz in Krasnodar Kray, who harvested 78 quintals of barley and 50 quintals of wheat per hectare last year, was compelled to state with a heavy heart that it was becoming an unsolvable problem to collect such a harvest. Also speaking at the meeting of the commission were: I.G. Grintsov, secretary of the Ukrainian Communist Party Central Committee; Yu.A. Peskov and L.N. Loginov, general directors of the production associations Rostselmash and Krasnoyarskiy kombaynovyy zavod; L.I. Khitrun, V.V. Donskikh, and Ye.M. Podolskiy, first secretaries of the Ryazan, Lipetsk, and Tambov Oblasts party committees; V.M. Kryazhkov, vice president of VASKhNiL [V.I. Lenin Academy of Agricultural Sciences]; A.I. Reznik, chairman of the Mir kolkhoz in Kirovograd Oblast; V.S. Shurchanov, first secretary of the Chuvash Republic party committee; V.A. Starodubtsev, chairman of the USSR Peasant Union; and others. They persistently raised issues demanding the adoption of immediate solutions.

It was a question first and foremost of the advisability of appealing to all the labor collectives of each republic, kray, oblast, rayon, and city to do everything they can to provide spare parts within an extremely short period of time. In this fashion all the equipment presently on the farms will be included in the work, and this will result in the quickest real returns. It was also proposed to carry out emergency measures to ensure deliveries to machine-building and repair enterprises of metal, industrial rubber, and other goods for the maximum possible production of equipment toward the beginning of the harvest. It was also proposed to simultaneously resolve organizational questions, including the creation at the Union level of an operational groups with appropriate authority. The importance of demonstrating concern for the people occupied in the harvest and of assisting in regulating the efficient operations of the harvest elevator was stressed.

V.M. Velichko and F.P. Senko, deputy prime ministers of the USSR who took part in the work of the Central Committee commission, emphasized the validity of the growing concern for the fate of the harvest and unambiguously expressed their support for the adoption of special measures in order to set right matters with resources in the agrarian sphere with the participation of the local organs of power.

Summing up the results of the work, Ye.S. Stroyev noted the exceptional timeliness of the issues that had been examined. Problems with the supply of resources to agriculture have been duly reflected in a resolution specially adopted by the 28th party congress. The peasantry must be supported both politically and economically in order not to lose the harvest and, in this fashion, to replace food resources and improve the situation on the consumer goods market. The workers in the villages must not again be allowed to find themselves alone with insurmountable difficulties. Special attention was paid to concerns about the people whose efforts ensure the prosperity of every family. "We will render assistance to the peasant," he stressed. "In that way we will help all the people and the entire country."

Peasants Union Congress Proceedings Reported

PM2006092791 Moscow PRAVDA in Russian 19 Jun 91 Second Edition pp 1-2

[N. Musiyenko and A. Platoshkin report: "Have We Come Far? Notes from the Peasants Congress"]

[Text] They were meeting after a year, as had been agreed. At its second stage the constituent congress of the Peasants Union summed up what had been achieved. Have its decisions "meshed" with everyday practice? Have we come far, so to speak?

The peasant delegates are mainly highly experienced and sober-minded folk. Nonetheless, even they had hoped and believed that there would have been some "progress" over the year. What is the reality? This was stated in the report by V. Starodubtsev, chairman of the country's Peasants Union.

The last two years have witnessed an irrepressible production slump. Last autumn the country people, left without any help from the city, were unable to gather a rich harvest. Grain was left unharvested on almost 6 million hectares, sunflowers on 1 million hectares, and potatoes and vegetables on 400,000 hectares. And this when we are short of food and feed. Livestock numbers have been falling. Poultry, until recently a flourishing rural sector, has been collapsing before our very eyes.

All this, in the main speaker's opinion, is the result of the ill-considered economic policy pursued by the Union and republic governments. Kolkhozes, sovkhozes, and other agro-industrial complex enterprises are being stifled financially and economically. The price parity which was to have been established last year lasted just three months. There was then a gigantic surge in the cost of resources, services, and capital construction. As a result this year country people will have to shell out more than 80 billion extra rubles [R] from their meager resources. Farms have been forced to curtail construction of housing, workshops, livestock units, and social, cultural, and consumer facilities. They have been deprived of funds to buy equipment, fuel, and fertilizers. Sometimes there is not even enough money for people's wages.

We are talking about the priority development of the countryside, and we are once again trying to "enter" the market on the backs of the peasants. New equipment is not arriving fast enough to compensate for equipment that has worn out. The Agro-Industrial Bank and Agrosnab [expansion unknown] systems have been destroyed. The consequences of abolishing the specialized sectors of the meat, dairy, and food industries have been dire. Some people are now demanding that agricultural machine building enterprises be transferred to the republics.

Kindergartens, schools, clinics, roads, gas supplies, and trade—the countryside is last in line for all these things too. Where can peasants turn? As we well know, to the city, where living conditions are better. Over the past three years the number of people working on kolkhozes and sovkhozes has fallen by 15 percent, or 3.1 million people. This breadwinner of a sector is being left without any future and having to care for the elderly and the infirm.

The mixed nature of the rural economy was not overlooked. The Peasants Union advocates providing land—to those who want it—in a public fashion and on a competitive basis. And only to those who have an expert knowledge of agricultural production and the necessary experience. It categorically opposes any private ownership of the land with the right to buy and sell!

The agrarian crisis in our country has not come about overnight. In order to overcome it, in the opinion of the main speaker and the other congress participants, we need a powerful and consistently implemented program of state favoritism for the countryside. And in this sense, we think, the year's interval in the congress' work has not been for nothing. This was clear if only from the number of specific proposals and the depth of the analysis of the situation.

A. Borovik, chairman of the "Avangard" Kolkhoz in Chernigov, called for economic measures to be used in retaliation for the "terror" against the countryside. The suggestion that a strike committee be set up was an awful warning. His colleague A. Vorontsov from Bryansk Oblast's "Leninets" Kolkhoz, advocated preparing documents on cooperation between republics in resolving the agro-industrial complex' problems.

V. Dubko, chairman of the Belorussian Peasants Union, noted that farms' accumulations are melting away under the pressure of having to pay the new prices for materials and services. And by the end of the year many farms could have gone bankrupt. What is this—a deliberate policy or incompetence? If it is a policy, it should be changed. If it is incompetence, the politicians and the government should be changed.

Nonetheless, the prevailing attitude at first was to state worrying facts. This did not suit the delegates. Just as they were not satisfied by the speech by V. Chernoivanov, USSR minister of agriculture and food. They had been hoping that the leader of this recently established ministry would set out a clear-cut and well-argued concept—as seen by the minister, the apparatus, and its "think tank" in the shape of sectorial science—for getting the sector out of its rut. Instead they heard phrases about the social sphere, supply, and aid for the countryside which were generally correct and topical but had long been known to everyone.

That is why from the very outset delegates expressed their dissatisfaction with the progress of the session: "More waffle, more beating around the bush. Where are the specific steps? How is the package of measures adopted by the congress a year ago and submitted to the government being implemented?" Those present voted by a majority to suspend their work until the prime minister came to answer questions relating to getting the countryside out of the crisis.

V. Pavlov spoke in the afternoon. He said that overcoming the lag in agriculture will be a decisive factor in stabilizing and improving the country's economy. Capital investment quotas no lower than last year's have been stipulated for the agrarian sector this year. Such quotas have been reduced for all other sectors, the speaker noted. Despite the fact that oil extraction and motor fuel production have fallen, 1 million tonnes of gasoline have been removed from export and sent to the countryside as extra resources for the spring sowing season. There is currently no foreign exchange, the country is in debt, but funds have been found to buy pesticides. Measures are also being taken to provide livestock with concentrated feed. V. Pavlov went on to dwell on the provisions of the government's anticrisis program. It is necessary to halt the fall in the population's living standard and to normalize supplies of food, medicine, and goods. We must not allow the money supply to collapse. The program's main economic levers are an incentive for all working people to work more productively.

In the immediate future the public sector will undoubtedly be the main producer of goods. Even hundreds of thousands of peasant farms will be unable to rapidly alter the food situation. Large amounts of investment are needed not only in production itself but also in the infrastructure—roads and the social and cultural sphere. The main thing, which could produce the greatest effect today, is to reform relations on kolkhozes and sovkhozes through production sharing, share flotations, and the development of peasant farms and private homes for rural inhabitants.

The speech by the head of the Union government was listened to with attention. He answered questions for about an hour more. Naturally, they concerned material and technical supply, price parity, and the social status of the peasantry. The prime minister put up a steady defense as the saying goes, referring to well-known resolutions and decrees to protect the agrarian sector, and to the country's generally difficult economic situation. But one felt from the tone and content of the questions and the nature of the replies that things in the auditorium were hotting up once again. Allusions to a shortage of resources won't bring in the harvest, feed the country, or keep people in the countryside.

On the morning of day two this dissatisfaction took a more categorical form. Since, in the delegates' opinion, their questions had not been answered, they again demanded that the president and the country's prime minister be invited. Proposals were voiced that the Peasants Union be made a sociopolitical organization. The speakers demanded that all taxes on the countryside be removed, leaving just a land tax, that state orders be abolished, that a state of emergency be declared in the country in connection with the harvest period, and that wages in the countryside should be no lower than for workers at industrial enterprises. They even called for people to resort to warning strikes or hunger strikes in Red Square.

In this critical situation the congress presidium contacted President M.S. Gorbachev at the delegates' behest and asked him to answer the demands put forward by the representatives of the Union republic delegations. The country's president acceded to the request. He recognized the Peasant Union's demands as fair and promised to reexamine together with the Cabinet of Ministers the questions of prices for agricultural and industrial products, the establishment of fairer taxation, and the payment of compensation to farms for the losses incurred by them in the first half-year owing to price differentials.

The congress adopted the USSR Peasant Union statutes. It is now a sociopolitical organization. Its most important aim is to set up a mass social movement for radical socioeconomic transformations in agriculture, to ensure the priority of agriculture, to bring about the social restructuring of the countryside and the spiritual regeneration of the peasantry, and to improve living and working conditions for workers in the agro-industrial complex.

Thus, the congress is a year further on. The road it has traveled has been a hard and rocky road for the peasantry and the entire country. Will the hoped-for breakthrough in the life of the countryside and in our food supply materialize? There are grounds for hope, but those grounds will have to be justified by action.

Peasants' Union Congress Adopts Rules, Concludes

LD2006105191 Moscow TASS International Service in Russian 1758 GMT 18 Jun 91

[By TASS correspondent Roman Grigoryev]

[Text] Moscow, 18 June [TASS]—The USSR Peasants' Union will become a socio-political organization, it was announced at the union's two-day congress which finished here today, uniting workers of the country's agro-industrial complex.

The congress met in tense circumstances. Participants put a number of demands to the government. The main one is to balance agricultural prices with prices of industrial goods, especially the prices of equipment and construction materials.

In a speech at the congress, Prime Minister Pavlov spoke in detail about the strategic aims and practical actions to implement the anti-crisis program, which have been elaborated by the Cabinet of Ministers. This implementation primarily relies on joint actions by the center and the republics, as well as on market mechanisms to extricate the economy and the agro-industrial complex from the crisis. Congress participants were not satisfied with the prime minister's speech. Proposals from the audience were heard "to create a union strike committee and to hold a warning strike".

In this critical situation, at the insistence of delegates, the congress' presidium contacted USSR President Mikhail Gorbachev and asked him to meet the demands put forward.

The president admitted that the demands of the Peasants' Union were fair. He and the Cabinet of Ministers promised to reconsider the questions of agricultural prices, of establishing correct taxation and of compensating farms for losses in the first half of this year.

The congress adopted the rules of the USSR Peasants' Union. The most important goal of this socio-political organization is "to create a mass public movement for fundamental social-economic changes in agriculture".

The Peasants' Union was founded one year ago.

RSFSR Deputies Address Farmers' Concerns

914B0181A Moscow SELSKAYA ZHIZN in Russian 25 May 91 p 1

[Article by SELSKAYA ZHIZN parliamentary correspondents N. Nikulina and V. Raskin under the rubric "At the Fourth RSFSR Congress of People's Deputies": "The Constitution May Not Be Disregarded"]

[Excerpts] The 24 May morning meeting began with reports by the leaders of the secretariat and the editorial commission. [passage omitted]

And several words about our peasant problems. It is possible that the readers will be interested in this information. The prime minister of Russia reported that the government has come to agreement with Western companies on the purchase of agricultural machinery. Next year Russian farmers will receive 10,000-15,000 tractors. But that is all in the future.

But for the present, the "Food and Health" deputies group address an inquiry to I.S. Silayev. Some 136 people's deputies appealed to the chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Council of Ministers. The statement speaks literally of the calamitous situation in the countryside. The deputies group proposed that Silayev report to the congress concerning concrete measures being taken for the comprehensive execution of rulings already adopted at the second and third congresses. Here is just one quote from the inquiry: "Even according to the understated evaluations of the Russian Ministry of Finances, the countryside's losses calculated for the year will be not less than 17.5 billion rubles. According to the results for the first quarter, compensation by the government to the countryside from the budget was not paid, which has lead to great difficulties in conducting spring field work."

Thus, future deliveries from abroad remain in the future, while todays' realities literally appeal to the conscience of the government.

Silayev, Bashmachnikov on AKKOR Concerns

914B0181B Moscow SELSKAYA ZHIZN in Russian 6 Jun 91 p 2

[Unattributed article: "Attention to Processes in the Countryside"]

[Text] On 4 June there was a regular meeting of the RSFSR [Russian Soviet Federated Socialist Republic] Council of Ministers Presidium. I.S. Silayev, chairman of the RSFSR Council of Ministers, conducted the meeting.

According to reports given to a correspondent of Russian TASS in the Department of Information of the Russian Council of Ministers, the situation with the development of peasant (private) farms and agricultural cooperatives in the RSFSR was examined. A report by V.F. Bashmachnikov, chairman of AKKOR [Association of Peasant Farms and Agriculturists of Russia] noted the speedy increase in the number of small commodity producers in the countryside and their unification into associations and unions. For example, at the present time more than 20,000 peasant (private) farms have already been organized in the Russian Federation, and about 900,000 hectares of agricultural land have been transferred to them. About 5,000 small agricultural cooperatives are functioning.

At the same time, serious shortages have appeared in many regions of the republic which are having a negative effect on the course worked out by the Russian congresses of people's deputies and on the program of the government of the RSFSR to stabilize the economy and make the transition to market relations.

It was decided to give every possible support to the new processes in the countryside and to render concrete assistance to the establishment of private farms. In particular, 100 million foreign currency rubles will be sought in the near future for material and technical provision of agricultural farms operating within the framework of new forms of property ownership.

Scientific

Mir Cosmonauts Prepare for 25 Jun Spacewalk

LD2206013691 Moscow TASS in English 1244 GMT 21 Jun 91

[Text] Moscow June 21 TASS—Anatoliy Artsebarskiy and Sergey Krikalev will spend much of today preparing for the space walk on June 25. The cosmonauts are checking communications and telemetry systems of space suits, rigging up equipment and instruments to be used for work on the exterior surface of the Mir complex.

Under the research programme today, the cosmonauts will continue astrophysical research using spectrometers "Mariya", "Buket", and "Granat", and biological experiments in space greenhouses.

The flight is proceeding according to plan.

Cosmonauts are well.

Cosmonauts Not at Fault for Satellite Failure

LD2306184691 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 23 Jun 91

[A. Gerasimov report from the "Vremya" newscast]

[Text] The autonomous satellite Mak-1, launched from the Mir station into near-earth space by Anatoliy Artsebarskiy and Sergey Krikalev last Monday has to date still shown no signs of life. Specialists are continuing to elucidate the causes of the failure, but one of the versions has already been dropped. The cosmonauts have a video recording showing the removal of all covers and caps from the satellite during its launch preparation, showing that there were no mistakes in the cosmonaut's actions.

The cosmonauts are continuing to conduct scientific experiments in orbit strictly according to schedule, in contrast to many of their fellow citizens on earth. Anatoliy and Sergey, like their American colleagues during the last flight by the Columbia shuttle, are paying much attention to space biology. Research into the development of plants under conditions of weightlessness is continuing. Wheat came into space along with the crew in the form of grain, it has germinated and grown strong in a month. The dwarf trees that relieve the monotony of the cosmonauts' metal and plastic surroundings are also the subject of research. Space biology is aimed at tomorrow. It has no direct material benefit, but already the preparations obtained in space help in medicine on earth.

In two days time, the cosmonauts are to spend over five hours in open space during the first of eight planned spacewalks. We will report on this in our program.

Aeroflot To Buy Engines From Western Companies

LD2206193991 Moscow Central Television Vostok Program and Orbita Network in Russian 1530 GMT 22 Jun 91

[From the "Vremya" newscast—read by announcer]

[Text] CFM [expansion unknown] International, a joint venture run by General Electric of the United States and SNECMA [expansion unknown] of France, has signed a contract with Aeroflot for the supply of 80 airplane engines to the Soviet Union for Soviet Il-86 airliners. The value of the contract could come to $1 billion.

Equipment Contract Signed With Cuban Specialists

LD2306185391 Moscow Central Vostok Program and Orbita Networks in Russian 1530 GMT 23 Jun 91

[From the "Vremya" newscast—read by announcer]

[Text] In news from Tomsk, a contract worth $100,000 has been signed by the Institute of Strengthened Material Physics and Material Science of the Siberian section of the USSR Academy of Science and Cuban specialists. Instruments designed by the Tomsk scientists are stronger than foreign equivalents. In the near future an enterprise to make superdurable instruments will be set up in Cuba.

Military

Yazov Interviewed on Current Army Problems

PM2306142191 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Jun 91 p 1

[Interview with USSR Defense Minister D.T. Yazov by A. Krayniy; date and place not specified: "The Rumors

That General Makashov Intended To Restructure Russia Are Grossly Exaggerated. USSR Defense Minister Answers Our Questions"]

[Text] Dmitriy Timofeyevich Yazov, marshal of the Soviet Union and USSR defense minister: Adding a year to his age, he entered a military school in Novosibirsk in 1941. He fought in the 177th Division of the 54th Army under Lieutenant General Sukhomlinov. He commanded a rifle platoon and became deputy company commander. He was injured. He has served in the Army for 50 years.

[Krayniy] Dmitriy Timofeyevich, today is a special day...

[Yazov] It is a day of remembrance and grief—as a frontline soldier I am pained that people now more frequently remember our failures during the initial period of the war, our losses, and retreats. It is galling to think that we left millions of Soviet people at the enemy's rear, but it became clear during that first summer on the front that the Germans could not carry out their plans for a Blitzkrieg. The war was drawn out and we managed to win victory at the price of incredible effort and suffering.

[Krayniy] But today, as defense minister, you surely have different problems, different troubles?

[Yazov] Undoubtedly, the main one being the problem of pulling our troops out of Eastern Europe.

We have completed our withdrawal from Hungary; as you know, our last troop train left there a few days ago. We withdrew our troops from Czechoslovakia a little earlier. Germany is on the agenda. I must say that the German side is not carrying out its commitments as regards building housing for officers and camps for personnel. We are still holding talks with a view to somehow influencing the German side, but more radical decisions may have to be taken.

[Krayniy] The problem is that acute?

[Yazov] Yes, of course. We expect to build 74,000 apartments ourselves this year and 82,000 with shared [dolevaya] participation, but that will not settle the problem. Especially since the situation is becoming aggravated: Many of our retired servicemen are asking that the Defense Ministry move them from the Baltic to Central Russia.

[Krayniy] So there are problems there too?

[Yazov] Yes, despite all the USSR presidential decrees, what amounts to a discriminatory policy is still continuing in the Baltic. Officers' wives are being dismissed from their jobs or not accepted for work, children are being hounded out of kindergartens and schools, and if you don't know the Estonian or Latvian languages, say, they may refuse to serve you in the stores... Although how is the officer to blame? He was sent to serve, and that's what he's doing. What kind of an occupier is he?

[Krayniy] How is the situation developing in the Transcaucasus?

[Yazov] It's even worse. The day before yesterday an automobile came under fire in Nagorno-Karabakh Autonomous Oblast [NKAO], a major died, and the driver was injured. People are still dying virtually every day. Everyone opposes the use of troops, but without troops in the NKAO area, you can't walk or drive around at all.

[Krayniy] Dmitriy Timofeyevich, how in your view should the problem of NKAO be resolved?

[Yazov] Very simply: All forces involved in the conflict must observe the law and constitutional order.

[Krayniy] Incidentally, Dmitriy Timofeyevich, the leadership of some republics have raised and are raising the question of setting up national armies. Your attitude to this is well-known. But representatives of the revived Cossack community have begun to talk about reviving Cossack units and many officers have also become hetmans [cossack leaders].

[Yazov] I am not frightened by the word "hetman." Much of the past, much of that which helps revive the nation's culture and prosperity can be restored. But there are, after all, also elements that degrade other peoples. For instance, there are the Kuban and Don Cossacks—domestic Cossacks, so to speak—but there were also the Ussuri and Terek Cossacks who served abroad in areas inhabited by peoples at one time conquered by the Russian empire. The revival of those Cossacks would inevitably result and is already resulting in fresh interethnic conflicts. As for history... well, Don and Kuban Cossacks regiments have been revived in the Soviet Army, but everyone will serve in these regiments, not only Cossacks by descent. These are naturally motorized rifle regiments and not cavalry regiments. That is my attitude to the question of reviving Cossack troop formations. Nothing good will come of it. There must be one Army or there will be no Army at all.

[Krayniy] Dmitriy Timofeyevich, one last question. What can you say about General Makashov's speech at the sitting of Armed Forces' leaders and, if possible, about your speech at the closed USSR Supreme Soviet sitting?

[Yazov] You and I are now talking [my s vami seychas razgovarivayem] and may argue. But we will probably ultimately reach some kind of agreement. What is more important: the decision we reached or the arguments that preceded it? In my opinion, the decision. Certainly, General Makashov made some suggestions, but he did, after all, do this as a Russian presidential candidate, which does, you will agree, change things.

As for what I said at the Supreme Soviet, it's all quite simple: I told people's deputies facts and figures relating to defense that are not, so to speak, to be made public to a wide audience. That's all.

Attends Memorial Conference

PM2106092791 Moscow KRASNAYA ZVEZDA in Russian 20 Jun 91 First Edition p 1

["Our correspondent" report: ""Memorable 1941""]

[Excerpts] This was the title of the all-Union creative conference of writers devoted to the 50th anniversary of the start of the Great Patriotic War, held in the A.A. Fadeyev Central House of Litterateurs yesterday. It was organized by the USSR Writers Union and the Main Military-Political Directorate of the USSR Armed Forces. [passage omitted]

Marshal of the Soviet Union D. Yazov, USSR minister of defense, participated in the work of the conference and addressed it.

Deputy Minister Varennikov on WWII Anniversary

LD2206194291 Moscow All-Union Radio First Program Radio-1 Network in Russian 0530 GMT 22 Jun 91

[Address by USSR Deputy Defence Minister Army General Valentin Ivanovich Varennikov on anniversary of outbreak of World War II]

[Text] Fifty years ago, 22 June went down in the history of the Soviet people as a most tragic date—the treacherous attack on the USSR, without any declaration of war, by fascist Germany. Here is Army General Valentin Ivanovich Varennikov, Hero of the Soviet Union, Commander-in-Chief of the Ground Forces, and USSR Deputy Defense Minister, who took part in the Great Patriotic War:

[Begin Varennikov recording] Today, complicated feelings are being experienced by every Soviet person, especially those who were in the front line, and by the whole generation whose destiny was affected by the war. World civilization does not know a sterner test. Of course, immense sacrifices were laid on the altar of the fatherland, on the altar of our victory. There is no limit to one's pride in our people, which stood firm in that war, defended their honor and independence, and saved the fatherland from enslavement. And no one has the right to revise the main lesson of the Great Patriotic War—a stern reminder to everyone that the desire of any aggressive forces for world domination and for the armed defeat and annihilation of our great motherland, is always doomed to failure. That's the way thing were and always will be.

The 1,000-year history of the Russian state confirms this. Our country on more than one occasion has been the object of military adventures, but it is well known how they ended. There was the Battle on the Ice in 1242, the Battle of Kulikovo in 1380, the Battle of Poltava in 1709, and the Fatherland War in 1812. But the Great Patriotic War is incomparable in terms of its scale and the consequences for world development. It was a rigorous test of the viability of the socialist system and the strength of the multinational state. It was a test of the strength of the Soviet people's patriotic spirit and of our army's ability to defend the motherland.

The Great Patriotic War, and especially its initial period, has become the object of vile speculations in the recent years. One can only regret this. It is given out as definitive truth that the Soviet Union supposedly initiated the war. Treachery is whitewashed and romanticized. There are claims of the bankruptcy of Soviet military science, the lack of talent of our military leaders, the country's technical backwardness, the paucity of spiritual unity among the Soviet people, and the absence of patriotism and courage. Some people have even gone so far as to ask the essentially blasphemous question: Was victory, in general, really needed?

So today we are obliged to emphasize with particular firmness that an honest, objective look at the events of 50 years ago is our common duty. Respect for the grandeur of the feat of the Soviet people, restoring their historical memory, upholding the sense of pride in one's fatherland—all this must occupy a worthy place in us. If one is to speak in general terms about the main lessons, then, above all, ignorance of the real foreign policy situation and the domestic policy situation within the country, and subjectivism in appraising phenomena seem extremly dangerous.

It is known that, on the eve of the war, errors were committed by the country's leadership as regards the strategic understanding and forecasting of the situation. This led to the formation of erroneous views in defense construction and in military theory and practice. Literally right up to the last hour before the war, thoughts of the impossibility of war were being drummed into people's consciousness. The image of an enemy that was already real was being eroded. Ideas about an easy victory and of the conduct of combat operations on foreign territory were being molded.

The serious military consequences of these errors are well known. For example, already during the first months of the war, of our 170 division—the first strategic echelon—28 lost their fighting efficiency completely, and 72 were deprived of half their manpower and equipment. Only the stern truth of war and the deadly threat of enslavement forced rejected of illusory notions, and the mobilization of all spiritual potential for the fight against the aggressor. And it is not the fault of the Soviet people or the social system, socialism, that the bitterness of defeat was to be experienced during the initial period of the war. It is precisely thanks to socialism that it proved possible to stand firm.

The German historian and publicist Blohmbehr, who is very far from liking the Soviet Union, once observed that no nation and no state formation could have recovered after such a crushing blow from the Wehrmacht. Probably the reasons for such fantastic tenacity should be sought not only in the character of the Russians, but also in the actual statehood of the Soviets, in its potential advantages. One cannot fail to agree with this logic.

But such a lesson is important not only as a memory. Undoubtedly, the new political thinking and practical steps in disarmament have created a fundamentally new political and military-strategic situation more favorable to mankind. Military confrontation has diminished. Yet it would be a tremendous mistake to talk about the irriversibility of the positive process in the world. Neither the United States nor the other states in the West are rushing to destroy their arsenals, eliminate their bases around the Soviet Union, or reject the diktat of the use of force in interstate relations. Today, therefore, slackening one's attention to defense issues and making one-sided concessions in the disarmament field do not make the world safer or more trustworthy. In this situation, the high combat-readiness of the Armed Forces is extremely important to the maintenance of peace, as is every kind of all-round support for them.

Unfortunately, in recent years, contrary to strict logic, against the background of our society's very deep crisis, the Army has come to be the target of ferocious attacks and pointed political speculations. Destructive forces are doing everything possible to set the Army on a collision course with the people. Why? Because the Army stands in the way of those forces. It hinders destabilization, anarchy, and anticonstitutional activities. People's defense awareness is being every more openly eroded, spiritual stereotypes deprived of reality are being inculcated, and pacifism is being thrust upon people. These negative processes are inevitably being introduced into the Army too. They exert a negative influence on public awareness. If one is to speak of the consequences, they are obvious. The prestige of military service is falling. Anti-Army sentiments are being reinforced. Unlawful actions by local bodies in a number of republics and irresponsible speeches are in evidence.

Today, the lessons of the initial period of the war must be given particular emphasis. They constitute a stern reminder and a warning to all of what lack of concern, complacency, and subjective judgments can lead to. Defense and security are sacred, and they cannot be exchanged for anything else. They are the fate of the country and our people. The initial period of the war quite obviously confirmed the historically conditioned nature and the vital necessity of a single multinational socialist state. The Soviet Union stood firm and proved its indestructibility. The war brought grief to the peoples of our country, but it united them even more in the face of danger. This is a vital historical lesson and a reminder to all who, in our time too, aspire to the role of appanage rulers attempting to destroy the union. All negative processes in the sphere of interethnic relations are inevitably introduced into servicemen's collectives. It is also dangerous when there are attempts in the republics to create a national army and other armed formations. Their appearance will inevitably promote the escalation of interethnic conflicts into a civil war.

Something must also be said about the role of communists, party organizations, and the mobilization of the people for the fight against the aggressor. Attempts to reduce their activities to coercion, party diktat, and intimidation appear frivolous at the very least. The war demanded the utmost concentration of the people's spiritual and physical resources, and the total subordination of the whole of the state's potential to the interests of the fight against the aggressor. And the party coped honorably with that task. No one has the right to dispute that truth. Eighty-five percent of the whole communist membership was in the Army on active service. Three million, effectively one person in two, fell in battle. We believed in the party. When entering its ranks just before combat, people linked with it their hopes for victory.

Today, it must also be said that it would be wrong and lacking in respect for the people's memory to depict the initial period of the war as just a dismal string of unending failures and defeats. It was no march of triumph for the aggressor either. According to information from General Galder, the Wehrmacht's Chief of General Staff of Ground forces, some 100,000 men had been killed, wounded, or listed as missing by 19 July 1941. They were German forces. During the first three weeks of military operations, the Panzer troops lost some 50 percent and the Luftwaffe some 25 percent of their combat personnel.

Finally, the courage and steadfastness of the Soviet soldier, displayed during the war years, and his high moral qualities are universally known. Now too, despite the attemps by destructive forces to slander and break down the Army, they are characteristic of the absolue majority of servicemen's collectives. The people believe in the Army and see it as a reliable guarantor of security and stability in society. The Army reverently cherishes the history of the Russian and Soviet Army, and its glorious martial traditions. The feat of the Soviet soldier is for us a powerful source of spirituality, patriotism, and service to the motherland. Many of those who trod the paths of war are still in the ranks. And it is our common, sacred duty, and a prime obligation for society, to care about each one, to warm him with human attention, to surround him with respect and to create favorable living conditions worthy of the victor people. [end recording]

Moiseyev on Need for 'Constant Combat Readiness'

LD2406095991 Moscow TASS in English 0836 GMT 24 Jun 91

[By TASS correspondent Oleg Moskovskiy]

[Text] Moscow June 24 TASS—"The complexity of the current international situation is due to the fact that the disbandment of the Warsaw Treaty and the elimination of a collective security system presuppose that in the future defence will be built within Soviet national borders alone. All this places special responsibility on the military for maintaining Armed Forces in constant combat readiness," Chief of the Soviet General Staff Army General Mikhail Moiseyev told graduates of the General Staff Academy today.

The 1991 graduates will be honored to continue and complete Soviet military reforms by the year 2000, he said.

Addresses Anniversary Meeting

LD2106083991 Moscow Central Television First Program Network in Russian 1800 GMT 19 Jun 91

[From the "Vremya" newscast]

[Text] An all-Union scientific conference to mark the 50th anniversary of the outbreak of the Great Patriotic war was held today in the Moscow Central Club of the Soviet Army.

Opening the conference, Army General Moyiseyev, Chief of General Staff of the USSR Armed Forces, stressed that its aim is to analyze the events of that tragic period; it is necessary to make conclusions and outline ways to apply the lessons of the past under the present conditions. The conference was attended by military commanders, former frontline combatants, academics, and foreign guests.

The speakers illustrated the military and political situation on the eve of war using specific examples and talked about the economic and spiritual potential of the people and the Armed Forces. They offered various views and pinpointed the errors of the Soviet leadership in the initial phase of the war and during the other operations.

[Begin recording] [Correspondent] Nikolay Vasilyevich, there are now many controversial opinions in general about the beginning of the war and this question was also stressed at the conference. You were a living participant and a witness, a living history...

[N.V. Ogarkov, chairman of the All-Union Council of Veterans—identified by caption] For me the war began on 22 June, 1941. Some claim today that our Army was not ready, the country was not getting ready for war, and this is why the initial period was so hard. That is not true. But the Army was put into a very hard position. They say that it was known, there were signals. Yes, they knew. Stalin and his closest entourage knew about the possible attack. But the Army which had to repel this onslaught was not prepared.

[Correspondent] Moreover, the cadres were, so to speak, repressed.

[Ogarkov] And newly trained personnel took the place of those who were repressed. Subsequently, the army could mobilize, get its act together, and offer resistance from the first days and, in the end, stop the enemy for a month near Smolensk and to defeat its near Moscow. We should bow before such armed forces. [end recording]

Comrades Ivashko, Baklanov, and Prokofyev took part in the work of the conference.

Air Force Takeover of DOSAAF Bases Criticized

PM2006120591 Moscow KOMSOMOLSKAYA PRAVDA in Russian 19 Jun 91 p 2

[A. Savoskin report: "But We Want To Fly..."]

[Text] USSR Defense Minister Marshal of the Soviet Union D.T. Yazov has made a proposal to the USSR Cabinet of Ministers to abolish a number of DOSAAF [All-Union Voluntary Society for Assistance to the USSR Army, Air Force, and Navy] aviation organizations, the majority of which were set up in the thirties in response to the high-flown summons: "Komsomol [Leninist Communist Youth League] Members, to the Planes!"

By this "easy" means they are trying to solve one of the most difficult problems of stationing in the USSR the Air Force aviation regiments withdrawn from the countries of East Europe. Although, given a more carefully thought-out and considered approach, these units could be stationed at DOSAAF airfields, sharing them with air clubs.

Certainly in the situation of the prevailing financial deficit there have to be many sacrifices, but to contemplate the de facto destruction of the system of young people's patriotic education is at the very least unreasonable. The USSR DOSAAF has the ability today to maintain in its aviation organizations not more than 10,000 sportsmen-pilots and parachutists and 300,000 air modelers. At the same time in the United States amateur pilots number 270,000 people, and 8 million people are involved in air modeling. It is not so difficult to suppose that the decision to abolish a number of aviation organizations will not only seriously affect the country's defense potential but also deprive of employment more than 12,000 young, highly trained specialists on whose education millions of rubles have been spent. One in two DOSAAF pilots does not have his own housing and lives with his family in hostels.

Well, now perhaps it is time to change the slogan: "Komsomol Members, Keep Away From Those Planes"?.. [punctuation as published]

Russian TV: 1 Soldier Dies 'Every Hour'

LD2006101591 Moscow Russian Television Network in Russian 2000 GMT 18 Jun 91

[From the "Vesti" newscast]

[Excerpts] Since the end of the Great Fatherland War, 310,000 servicemen have perished in the Red Army in peace. According to the data from the Russian Soviet Federated Socialist Republic Supreme Soviet commission for monitoring the causes of servicemen's death, half of them committed suicide, one-fifth because of bullying, and only ten percent because of accidents.

At a news conference, leaders of the all-union council of servicemen's parents cited such horrendous incidents of bullying and violence that one could hardly believe Defense Ministry leaders who say that bullying has now been practically eliminated in the Army. [passage omitted]

If we are to believe the figures in the USSR Defense Ministry, 8,000 people die in the Army every year. Today the Moscow garrison's commandant's office has opened a gathering point for those who have deserted because of bullying and violence. But more radical measures are required to bring order into our Armed Forces. For now, however, one soldier dies in our country every hour.

Baltic Republics

Baltics To Seek Observer Status at CSCE

*OW2406082791 Moscow BALTFAX in English
1230 GMT 21 Jun 91*

[Following item transmitted via KYODO]

[Text] In an interview with BF [BALTFAX] Lithuanian Deputy Foreign Minister Voldemaras Katkus who took part in the Berlin meeting, said that Latvia, Lithuania and Estonia will seek the status of observers at future Conferences on Security and Cooperation in Europe.

The Lithuanian, Latvian and Estonian delegations have attended the Berlin meeting which ended its work June 20 as guests of the Danish, Norwegian and Swedish delegations.

Mr. Katkus noted that at the meeting in Berlin the CSCE countries began to work out a mechanism of resolving crisis in Europe and throughout the world.

He stressed that for the present "at least four states, among them the USA and France, spoke in favor of including the Baltic question in the list of problems to be resolved at the CSCE."

The Berlin meeting has set up a group of support for the Baltic states which includes representatives of 10 countries: Germany, the USA, Denmark, France, Great Britain, Iceland, Luxemburg, Norway, Poland and Switzerland.

"The creation of a group of support testifies to our de facto participation in the European process". Mr. Katkus pointed out.

Baltic Assembly To Discuss Possible Confederation

*OW2406061891 Moscow BALTFAX in English
1230 GMT 21 Jun 91*

[Following item transmitted via KYODO]

[Text] According to Mr. Romualdas Razukas, leader of the Latvian Popular Front (LPF), his organization and the Lithuanian movement Sajudis have agreed to hold a conference of the Baltic popular movement leaders in Riga on June 26 to discuss a program of coordinated action for August 23 (anniversary of the Molotov-Ribbentrop pact) and the opportunities for convening a Baltic Assembly of popular movements.

Mr. Razukas indicated the Baltics Assembly could discuss the prospect of setting up a confederation of Baltic states—a project supported by Sajudis but causing major doubts on the part of Lithuania's top leadership.

The way Mr. Razukas sees it, the idea of Baltic unity should be backed by concrete actions leading to specific agreements, as well as the scrapping of custom barriers among the three republics.

Lithuanian, Latvian Customs Posts Attacked

*OW2406093191 Moscow BALTFAX in English
1530 GMT 21 Jun 91*

[Following item transmitted via KYODO]

[Text] On June 21 at 20:30 four armed men (three of them weating paratroopers' uniforms) attacked 2 customs posts on the border between the Pasvalsky region of Lithuania and the Baussky region of Latvia and burnt them down. No casualities have been reported.

A representative of the Latvian Customs Department told BF [BALTFAX] that all customs officers of both the Latvian and Lithuanian posts were on the Lithuanian side during the attack. According to their report, the attack was carried out by OMON [Special Purpose Militia Detachment] servicemen. However, they have not, reportedly, used violence against the customs officers.

The Lithuanian government press service reports attackers drove up to the posts from the direction of Latvia in a white "Volga" car with the Latvian number "31-37 LTB". The press service says the attack was launched by OMON.

It also reports that last night there was a shooting near the police academy building which houses an OMON base in Vilnius.

Lithuanian Vice-Premier Zigmas Vaisvila has informed the USSR Interior Minister about the attack.

An orderly officer at the USSR Interior Ministry assured Mr. Vaisvila that the Ministry has not received reports on the attack.

The Lithuanian government press service has issued a statement describing the attack as "provocation and demonstration of force".

The Lithuanian government believes the attack is "the Soviet reaction to indecision of Western countries".

An unclear position of the West in relation to the Baltic states during the CSCE encourages the Soviet reactionary forces and hampers democratic changes in the Baltics, in the Soviet Union and in Europe", the statement points out.

Attacks Blamed on 'Indecisive' CSCE

*LD2206085691 Vilnius Radio Vilnius Network
in Lithuanian 0800 GMT 22 Jun 91*

[Statement by the Press Information Bureau of the Lithuanian Government]

[Text] The aggression against the Lithuanian and Latvian border control posts, tolerated and supported by the USSR Government, is continuing.

On 21 June of this year, at about 2100, a unit of OMON [Special Purpose Militia Detachment] soldiers of the

USSR Interior Ministry, which arrived by car from Latvia, attacked the Salociai border control post in Pasvalys rayon. The attackers [words indistinct] and burned down the post's building. The OMON soldiers also devastated the Latvian border control post.

Lithuanian Deputy Prime Minister Zigmas Vaisvila has informed the USSR Interior Ministry about the attack. The official on duty there maintained that the USSR Interior Ministry knew nothing about the incident and promised to clarify its circumstances.

The Lithuanian Government press bureau is instructed to report that this impudent provocation and demonstration of force is to be regarded as the Soviet Union's reaction to the indecision of the Western states to support the determination of Lithuania, Latvia, and Estonia to be democratic and independent states. The indecisive stand of the Western states toward the Baltic republics at the CSCE encourages actions by Soviet reactionary forces and hinders the processes of democratic change in the Baltic republics, the Soviet Union, and Europe.

The Government of the Republic of Lithuania draws the attention of the world democratic forces and states once more to the fact that it is impossible to remain only indifferent observers to the escalating Soviet aggression against the Baltic republics.

Estonian, Lithuanian Presidents Support Yeltsin

LD2306135391 Hamburg DPA in German 1309 GMT 23 Jun 91

[Text] Kiel (DPA)—In their quest for independence, the presidents of Lithuania and Estonia, Vytautas Landsbergis and Arnold Ruutel, respectively, back the elected Russian president, Boris Yeltsin. "We trust President Yeltsin and see him as a guarantor for a peaceful solution to the Batlic problem," Landsbergis said before journalists in Kiel on Sunday. Ruutel stressed: "So far, Yeltsin has shown quite a positive attitude on the Baltic issue." The two presidents, who took up an invitation from the Schleswig-Holstein parliament (landtag), once again attacked the Soviet Union. "The Soviet Union continues to block the Baltic states' path toward independence," Landsbergis said. He sharply criticized the "continuous violent actions of Soviet militaries in our country." Ruutel complained about the "delaying tactics of genuine negotiations" between Estonia and Soviet President Mikhail Gorbachev. Admittedly, Gorbachev professed sympathy for democracy movements, "but the democratic forces in the Soviet Union no longer believe him, and that strengthens the conservative forces," Ruutel said. In Landsbergis' view it is important for the Baltic problem to be dealt with also within the CSCE framework. He voiced reservations, however, about the CSCE event planned for Moscow in September. Should the Soviet Union "continue with the violence in our countries and lie about the bloody events in January," the president said, then the European states should ask themselves "whether Moscow should be allowed to be the CSCE host".

Estonia's Savisaar Interviewed on Moscow Meetings

LD2206054891 Tallinn Radio Tallinn Network in Estonian 1700 GMT 20 Jun 91

[Interview with Edgar Savisaar, chairman of the Estonian Soviet Socialist Republic Council of Ministers Presidium, by correspondent Jaan Raudsepp, place and date not given—live or recorded]

[Excerpts] [Raudsepp] Edgar Savisaar, chairman of the Republic's government: As your visit, the visit to Moscow this time, was postponed for a day, did you succeed in carrying out at least some of your program for the day?

[Savisaar] I have had both political meetings, [as heard] This morning we met Mr. Afanasyev, one of the cochairmen of the Democratic Russia movement. I have also been at some ministries, and the working day is not over yet. Tonight we will meet Prime Minister Valentin Pavlov, USSR Government leader, so as to continue the conversation we started ten days or two weeks ago, both on strategic issues in Estonian-USSR relations as well as on purely tactical ones—starting perhaps with any possible source of sugar, and ending with concentrated fodder. [as heard] The situation that has developed by now is that last year we concluded an agreement with the Union, with our side taking the obligation to supply meat and milk products, and with their supplying cereals, concentrated fodder, and machinery in return. Yet now the situation is such that the Union owes us; that is, we have managed quite well with our obligations for the first half year, but one cannot say the same for the Union. [passage omitted]

Among other things, we also had a brief meeting with Ivan Silayev, prime minister of the Russian Federation, today. In January, as you would remember, we also signed an economic treaty with Russia, which does not need to be ratified. Now we have prepared some additional protocols with respect to furthering economic agreements, and I believe that already in the summer these matters will be jointly looked at by the Estonian and Russian Governments.

Rates Pavlov Meeting 'Successful'

LD2206060491 Tallinn Radio Tallinn Network in Estonian 0900 GMT 21 Jun 91

[Excerpt] Today the government in Toompea is also discussing issues of concern to us all directly. Juhan Hindov reports on the telephone.

[Hindov] Edgar Savisaar, having returned from Moscow late last night, is chairing today's Republic of Estonia government session. At the start of the session, the prime minister presented a brief summary of his meetings in the USSR capital. He focused on his meeting with

Valentin Pavlov, prime minister of the USSR Cabinet of Ministers. Edgar Savisaar rated this meeting as having been successful. Among other things discussed in Moscow was also that of supplying Estonia with several resources. Presently grain will be received from the United States, as a result of an agricultural loan. Inasmuch as the USSR owes concentrated fodder to Estonia, Valentin Pavlov has now promised to rectify this mistake in the near future. [passage omitted]

Effort To Remove Savisaar 'Postponed Until Fall'

PM2406093391 Moscow IZVESTIYA in Russian 21 Jun 91 Union Edition p 2

[Report by Leonid Levitskiy under the "Direct Line" rubric: "Premier's Resignation Canceled"]

[Text] Tallinn—Before the parliamentary sitting began several thousand pickets outside the Toompea Palace demanded that Prime Minister Edgar Savisaar be left in peace. That is how the Estonian People's Front [EPF] reacted to 26 deputies' attempt to get the head of government to resign.

It transpired that the EPF activists' efforts were in vain. As soon as the Supreme Soviet sitting began, a spokesman for the initiators of the resignation request took the floor and said that they were not insisting on their statement being examined immediately and thought that this could be done after the parliamentary vacation in August. Arnold Ruutel chairman of the Supreme Soviet, spoke next. He tried to persuade the deputies that this was no time for a government crisis, thus defending Edgar Savisaar.

Here is what they decided: to postpone discussion of the future of the head of government and the government itself until August. The storm has abated or, more precisely, subsided for a time.

Most observers directly link the obvious failures in foreign and, particularly, domestic policy and the protracted conflicts among various political forces with the prime minister personally, his character, and his peremptory leadership style. Deputy Jaak Allik made this comment on the events in parliament:

"The prime minister is not someone who can unite all Estonian forces in the republic's movement toward independence. We have not withdrawn our demand for his resignation. We have postponed the discussion until the fall."

Latvian Parliament Passes Draft on Basic Law

LD2206161691 Moscow TASS International Service in Russian 1232 21 Jun 91

[By TASS correspondent Valeriy Zaytsev]

[Text] Riga, 21 Jun (TASS)—After a sharp discussion, the Latvian parliament has passed in the first reading a draft of "The Basic Law of the Latvian Republic for the Transitional Period." In the view of the deputies of this legislative body, this draft, elaborated by a working group of the People's Front, is a "real step toward achieving state independence."

According to Article One of the bill, the declaration of the People's Sejm of Latvia on 21 July 1940 "On State Power in Latvia" and the Constitution of the Latvian Soviet Socialist Republic are abolished. The Constitution and other normative acts of the USSR are deemed to have no validity on the territory of Latvia. Admittedly, the Supreme Soviet of the republic is given the right to make a decision "on the temporary application of individual normative acts of the USSR on the territory of the Latvian state if acts of this kind are necessary."

The document gave rise to many arguments and critical remarks among the parliamentarians. However, a proposal by a number of deputies to break off the discussion and publish it for universal discussion has not been accepted. Members of the "Equality" group left the meeting room because of their disagreement with the voting procedure for the document.

Fears Expressed Over 23 Jun Provocations

LD2206221191 Moscow Central Television First Program Network in Russian 2031 GMT 22 Jun 91

[Text] According to reports from Riga, there is a round-the- clock alert there at the buildings of the Latvian Supreme Council and the Council of Ministers. The Ekho Moskvy radio station quotes a statement by the chairman of the republican parliament's commission for defense and internal affairs referring to the possibility of provocations by opponents of independence tomorrow, the Latvian national holiday.

OMON Unit Attacks Vilnius Airport Customs Post

LD2206132891 Vilnius Radio Vilnius Network in Lithuanian 1300 GMT 22 Jun 91

[Text] We have been informed by the official on duty at the Ministry of Internal Affairs, Marijonas Jasiukonis, that today at 1310 [1010 GMT] OMON [Special Purpose Militia Detachment] soldiers, led by Makutinovicius, arrived at the Vilnius airport customs office. They stated they were acting in accordance with USSR laws and removed our customs officials from the premises, took away the seal, took some documents and keys, tore down the customs office sign, and warned the customs officials that they should be gone in 10 minutes' time. Then they left.

Lithuanian Customs Post Attacked By OMON

LD2106222591 Vilnius Radio Vilnius Network in Lithuanian 2000 GMT 21 Jun 91

[Text] We have again received disturbing news from the Supreme Council's information bureau:

At about 2000 [1700 GMT] a clash with members of the OMON [Special Purpose Militia Detachment] took place at the Salociai border post. A white Volga car with the registration number 31-37- LTV brought four armed persons. Three of them were wearing the OMON uniform. Customs officials were driven away from the post which was then devastated and set on fire.

An interesting detail: The same car with same people inside arrived at the post at about 1235 [0935 GMT]. The people sitting in the car tried to engage the customs officials in conversation, asking them about their work, their working conditions, and their wages. And when they did not succeed, threats were made that the game would soon be over and that the customs officials would be seriously dealt with.

Reportage on Landsbergis Visit to France

WA2106173591

For reportage on the visit by Lithuanian President Vytautas Landsbergis to France, including reports on his talks with President Francois Mitterrand, please see the France section of the 21 June West Europe DAILY REPORT and subsequent issues.

RSFSR

Yeltsin Expresses Optimism about Gorbachev Ties

LD2206184991 Moscow Central Television First Program Network in Russian 1500 GMT 22 Jun 91

[B. Kalyagin video report from the "International Panorama" program hosted by Tomas Kolesnichenko]

[Excerpts] Boris Nikolayevich Yeltsin's visit to the United States took place just three or four days after it became known that he was victorious in the elections for president of the Russian Federation. [passage omitted]

Almost all Americans who met Yeltsin were concerned about the question of his relations with Mikhail Sergeyevich Gorbachev. The Russian leader himself acknowledged this:

[Begin Yeltsin recording] I have realized that there are many questions for me. It has been counted that, over 36 hours, I have been asked 126 questions. One of the main questions is what is going to happen in the Gorbachev-Yeltsin relationship. I want to assure you, here in the center for democracy, I want to assure the American people, that while Gorbachev is for reforms, while Gorbachev is for democratic transformations, while Gorbachev is for the independence of the republics, while Gorbachev is for the development of the whole country and the independence of all the republics in the composition of the union, while Gorbachev is firmly for democracy, Yeltsin is with Gorbachev. [end recording]

No 'Impediments' Forseen

LD2306115991 Berlin ADN in German 1130 GMT 23 Jun 91

[Text] Moscow (ADN)—Russian President Boris Yeltsin does not see any personal impediments to cooperation with Mikhail Gorbachev. A Russian Soviet Federated Socialist Republic [RSFSR] Foreign Ministry spokesman stated this to the RUSSIAN INFORMATION AGENCY, RIA, today. During his visit to the United States, Yeltsin was able to dispel possible fears from U.S. quarters in this respect. According to Yeltsin, the cooperation with Gorbachev was now of a "balanced, objective, and constructive nature." As long as Gorbachev and the part of the union leadership on his side stuck to their course of reforms, the Russian leadership will be an ally and partner of Gorbachev and the reformist line in the union leadership. President Gorbachev has an even more important and serious partner in Russia's peoples for the things started in 1985. The RSFSR diplomat stated further that implementing USSR reforms is supported in the United States. The reforms must be continued and strengthened. According to the U.S., Russia, as the largest republic, is entitled to a decisive say in this.

Roundtable Analyzes RSFSR Election Results

LD2206210291

[Editorial Report] Moscow Central Television First Program Network in Russian at 1840 GMT on 20 June carries a 73-minute program entitled "Direct Conversation: Reflections After the Election" from the second studio of Central Television. The moderator is Andrey Georgiyevich Skryabin, who starts by saying this program is the logical follow-up to the roundtable held before the election. Skryabin reads out the official results of the election as published in the central press. The figures for the turnout and the votes for each individual candidate are given. It is noted that Yeltsin was elected president.

Skryabin then introduces the panelists: Sergey Yervandovich Kurginyan, a political scientist and president of the Experimental Creative Center Corporation; Sergey Nikolayevich Baburin, a Russian Soviet Federated Socialist Republic [RSFSR] people's deputy, member of the RSFSR Supreme Soviet, and joint coordinator of the Rossiya group of deputies; Sergey Nikolayevich Yushenkov, an RSFSR people's deputy, chairman of the RSFSR Supreme Soviet subcommittee for public opinion research, and joint coordinator of the Radical Democrats group of deputies; Valeriy Vasilyevich Lunin, an RSFSR people's deputy, a professor at Moscow State University, and a member of the joint grouping of republicans and social democrats; and Yevgeniy Grigoriyevich Andryushchenko, a sociologist and doctor of philosophical science.

Skryabin invites Andryushchenko to give his views on the outcome of the election. Andryushchenko makes it clear that he thinks the results are not such an overwhelming endorsement of Yeltsin as has been claimed. Many areas did not vote for him. He says the election campaign was too short. Andryushchenko gives a detailed analysis of the election figures, region by region.

Yushenkov also analyzes the results region by region. They provide a precise sociopolitical characterization of Russia, he says. He thinks that Zhirinovskiy should not be included on Yeltsin's team, because the two men have totally different personalities.

Sergey Kurginyan then talks about the results of the election. He asks what forces Yeltsin actually leads. He is the leader of a third estate against oligarchy. There is a danger that this third estate will now be divided. The division or dismemberment of the country will be between the town and the countryside. He reads from an article in KOMMERSANT welcoming Yeltsin as a new tsar. He likens Yeltsin to Boris Godunov. If the collapse of the state continues, then Yeltsin will only last seven months.

Valeriy Vasilyevich Lunin agrees with other participants that this is not a game. He quotes Blokhin, of the Soyuz deputies group, as saying the election result is a victory for Gorbachev, not Yeltsin. He describes this as nonsense. It is a triumph for Yeltsin, he says. The issue was to restore Russian statehood, and this is what has happened.

Yushenkov then continues the parallel with Boris Godunov and Minin, praising Yeltsin's behavior.

Baburin says he wishes to congratulate Yeltsin and his supporters on the victory. He saye he was not a supporter of Yeltsin, as he represents the Rossiya group of deputies. The slogan of the election was no confidence. He talks about the Zhirinovskiy phenonomon. He also talks about the Makashov factor, an expression of no confidence in civilian administration. A million people voted for the army to be brought into civilian issues. This is a worrying fact. Baburin also talks about Tuleyev's campaign. This was an expression of mistrust of politicians from the capital. Another speaker says this is not true. Both Ryzhkov and Yeltsin are from the Urals. This election was a fateful one for Yeltsin, says Yushenkov. Zhirinovskiy raised the Russian factor, says Kurginyan. This is a tragic question, he says. Andryushchenko agrees, saying that housing construction has fallen catastrophically. Unemployment is increasing. We have already seen what happened in the GDR, he continues. The situation is very dangerous. It is irresponsible to exploit separatist tendencies and nationalism, he adds. If this continues, we will find ourselves in trouble. Kurginyan predicts tectonic processes in Soviet politics. Lunin says everybody will thank Yeltsin if he succeeds in stabilizing the situation.

A discussion on the position of the Russian-speaking population of the Baltic republics ensues. Skryabin reads out a reaction from a viewer. One viewer asks how the panel has been chosen and what the purpose of the program is. Skryabin says the reason is to do a postmortem on the election.

Baburin says that the worst thing to do now would be to continue the path of the last decade, when all criticism was discouraged. A viewer asks the panel whether the results of the elections are fair—did the candidates get the votes they deserved? Yushenkov says that they did, unquestionably. He quotes a Nostradamus prediction, saying he is glad that it has come to pass and proposing that a monument be erected to Nostradamus. Yushenkov again welcomes the assertion of Russian statehood. Lunin asks whether anybody doubted that Yeltsin would be the first president of Russia. Lunin insists that common sense has prevailed. Yushenkov describes the events of 1917 as an armed putsch. Most people voted against the Bolsheviks. This election, for the RSFSR presidency, was the real voice of the people speaking.

Yushenkov is asked by Baburin whether he has left the CPSU. Yushenkov says the question is irrelevant. Another speaker says he has actually joined the CPSU. Kurginyan asks why Yeltsin's election was logical. He claims that the Bolsheviks' seizure of power after the February revolution was logical because the whole country was falling apart. The job now is to prevent a repetition of the February revolution. He adds that another October revolution would be inevitable after a February revolution.

Kurginyan says the assertion of executive authority is something to be welcomed. He says that Gorbachev has been considered indecisive at every party congress because he has been put on trial at every single one. He recalls the vote of no confidence proposed by Umalatova at the last congress. Gorbachev should be able to cut loose from the congress. Lunin recalls that Gorbachev was elected by an insignificant proportion of the population, namely the USSR Congress of People's Deputies. He needs to widen his power base. Baburin calls for the reinforcement of the system of checks and balances. Baburin insists that Yeltsin's election is a victory for Gorbachev. Yeltsin is capable of making a decision and carrying it out, he says.

Skryabin reads out views expressed by viewers, some congratulating Yeltsin. There is a personal question for Yushenkov, as a supporter of Yeltsin: What is your view of those who voted against Yeltsin in large numbers? He describes this as a normal phenonemon, a fact of life, comparing it with American elections.

A viewer in Vilnius asks: Why weren't Russians living in the Baltic republics allowed to vote? Skryabin asks the panel why Yeltsin won and why the others lost. Can the elections be regarded as democratic? Baburin says the elections were constitutional, based on the law. However, he personally feels the election was not democratic. Kurginyan stresses that the election was a defeat for the Communist oligarchy. Lunin says Yeltsin's election was not a defeat for the oligarchy. A Moscow viewer says that party bureaucrats are being replaced by democratic bureaucrats.

Andryushchenko says society is divided between those who produce material assets and those who redistribute them. He talks about Razumovskiy, who worked with Medunov in Krasnodar Kray. Yushenkov talks about World War II and about the contribution of ordinary Communists in the fight against the Germans. Nobody is denying that. He talks about Volkogonov's historical studies. The first of these myths is that the CPSU is the ruling party. Other groups should have summoned up the courage long ago to say that the party no longer rules. Skryabin says that this is a digression. Skryabin talks about the video profile of Yeltsin included in one of Fesunenko's "Who's Who" programs. Skryabin suggests that Yeltsin's election tactics were skillful. He disassociated himself from unfavorable statements and refused to be drawn into conflict with Gorbachev.

Yushenkov talks about the impression made on him by Yeltsin's election campaign. Many people tried to discredit Yeltsin, but Yeltsin refused to let himself be provoked. Kurginyan says Yeltsin won because he is a personality. Lunin agrees that is the only reason he won. He deserved to win for this reason. Barburin says Yeltsin did not win; his image with the voters won—the image of a strong man. He regrets that Yeltsin's opponents did not campaign more effectively.

Skryabin asks whether the legislative authority of the Supreme Soviet will suffer as a result of the elections. Yushenkov says that parliament is working effectively at the moment. It has not been affected. He says that the fifth RSFSR congress in July should be a short one. It has to elect a chairman of the RSFSR Supreme Soviet. Possible candidates include Khasbulatov, Volkogonov, Tuleyev, and even Baburin. Baburin is challenged to deny this rumor. A Constitutional Court must also be elected. But the communists of Russia are refusing to cooperate. Constitutional amendments will be left until autumn.

Kurginyan turns to a viewer's question on who will sow crops. Yeltsin's first task is to feed the country, he says. He needs emergency powers for this, he says. Yeltsin must not allow Russia to disintegrate, he says. Let's stop ideological quarrels. Instead we must rally and concentrate on the main tasks of the harvest and the unity of the country. Yushenkov says it is the job of deputies to sow good laws. Each person has his own task to do, and the job of legislators is to legislate. A viewer from Baku says that representatives of all the nationalities should have been included on the panel. Skryabin regrets that this was not possible. There are too many of them in the Russian Federation. Lunin says this is the first exchange of views since the election; therefore, it is extremely important. The election is being discussed throughout society. The program is justified.

Skryabin asks what guarantee there is that presidential power will not depend on a single personality. Baburin recalls the Lenin, Stalin, and Gorbachev eras. Personalities should not have such a fateful impact on running the state. The legislature and judiciary have a role to play in providing gurantees of human rights, giving every individual a chance to realize his potential. We have had enough upheaval. Let's reform instead. The executive arm of the presidency must be strong in the Russian Federation, but the power of the legislature and judiciary must be maintained. The Supreme Soviet must not be allowed to become a shadow of the president. One panelist interjects that the Supreme Soviet can veto the president's decisions. Baburin talks about the significance of the Constitutional Court.

Skryabin says that the program is almost over. What do the citizens of the Russian Federation expect of Yeltsin? This is the final question. Each panelist is invited to answer it briefly. Kurginyan says that Yeltsin must work to ensure that the rights of all the peoples in Russia, including the Russians themselves, are strengthened. Yushenkov says Yeltsin must uphold the rights of the individual. He stresses the importance of depoliticization and agrarian reform, as well as privatization. Andryushchenko says that Yeltsin must not destroy the Union; he must work to defend it. Baburin says that Yeltsin must implement the things that have been spoken about during the discussion. He must get constructive forces working together with each other.

Skryabin concludes the program by saying he is convinced that people do not want confrontation. Yeltsin and Gorbachev should bear this in mind, as should the presidents of all the republics.

Commentator Assesses Yeltsin Success

PM2106154591 Moscow KOMSOMOLSKAYA PRAVDA in Russian 18 Jun 91 pp 1-2

[Observer Leonid Nikitinskiy article: "Yesterday Was Too Early, Tomorrow Will Be Too Late. On 12 June the 'Bolsheviks' Remained in the Minority"]

[Text] The first Russian national holiday of 12 June passed off without pomp: Eyes were not dazzled by banners, nor ears deafened by hymns. Of course, the majority of working people welcomed the new day off, which henceforth will fall very opportunely in the summer, as distinct, let us say, from 7 November, when the weather is foul.... At the same time, in my opinion it (the majority) has not yet understood: For what reason are we not working?

The very complex process of the peaceful redistribution of political power in the country in the true sense of the word began in the spring of 1989 with the elections of USSR people's deputies. And it will evidently end in the foreseeable future with the radical transformation of the former ruling party right down to its self-disbandment and its re-creation from scratch on a fundamentally different basis. A revolution demands patience; it is not an instant but a process, not a day but hard months and years. But on this chart there is always a point which may, with a certain degree of conventionality, be designated the turning point. And it will probably be marked as the day 12 June in the calendars of the 21st century. But it is too soon to print them today.

The election struggle in Russia was waged virtually between two real forces with their affiliated supporters and fans: the Russian Communist Party (i.e., in point of fact, the CPSU) and "Democratic Russia"—a conglomerate of democratic movements without a clear-cut structure, only with common aims.

Over the entire front of this struggle the Russian Communist Party suffered a defeat, which appears still more crushing if you consider that a section of the votes went to the "third vector" and did not go to either of the teams. The ideological defeat which the CPSU had already suffered by this time in the public awareness was embodied in juridical forms 12 June.

However, the impressive first-round victory of Yeltsin in Russia, Popov in Moscow, Sobchak in Leningrad, and, finally, Yu. Afanasyev in Moscow City's Pervomayskiy Electoral District, where his rival, Russian Communist Party Central Committee Secretary I. Antonovich, gained just 11 percent of the votes, attests to just one thing: The former ruling party in Russia is no longer that. But a question remains not quite clear: To whom has the formal political power, which it has lost, passed?

The multidimensionality and certain contradictoriness of the "Democratic Russia" movement rule out a definite answer to this question. The monolith of the CPSU, cemented by the cunning principle of "democratic centralism," could be regarded as a ruling party. "Democratic Russia" is not a party at all in the usual sense of the word for us. Therefore it would be incorrect to maintain that "Democratic Russia" has acceded to power.

Having won the election in such a "friable" condition, it will evidently start in the very near future to break down into "branches" which will become political parties in the true sense of the word. At this risky time for the democrats the Communists will have an opportunity to take a certain tactical revenge. But, in my view, they will be able to take this opportunity only if they turn their "new-type" party into another democratic parliamentary party, modifying it to such a degree that the Communists' new party will have little left in common with our well-known CPSU. At any rate, the Russian Communist Party, which is clinging to the former formal values of its statutes, is doomed to the role of an irate custodian in the "museum of the revolution."

At the happy and rare moment when the country is without strong political parties the muscles of power are evidently beginning to be built up around the skeleton of the deideologized state executive structures—the "presidential vertical" conceived by Yeltsin's team. I believe and hope that the CPSU's apparatus structures in the provinces, which have lost their ideological influence but preserved their considerable organizational potential, will not impede this process but will peacefully join in with it.

In actual fact, the apparatchiks who "animate" these structures do not so much need an obsolete ideology but rather power as such, with whose help and for which they want to work. Power is their profession, their bread. They are needed for the practical organization of power, and they realize their worth. It is of no consequence to professionals whether a red flag flies from the pediment or a red, white, and blue one. Therefore the "presidential vertical" can and must accept the professional assistance of the apparatus inherited from the former power, on the conditions of its depoliticization, its reconstruction, and its reduction to a sensible size.

At the same time it is necessary to understand the whole complexity and painfulness of the spiritual process of deideologization and to show tolerance and, what is more, a desire for cooperation in this sphere. "Nonparty person" Yeltsin set us an example of such cooperation by inviting the Communist Rutskoy to run in tandem with himself. God grant that this precedent becomes the norm.

The holy and long-standing struggle of ideas around the doctrine of Communism must not move once again onto the plane of hand-to-hand fighting among people. As part of the broader democratic ideological platform, anticommunism (it would be more accurate to say: anti-CPSUism, brought to life and strengthened most of all by decades of the monopoly domination of obtuse pseudo-Marxist propaganda) has nothing in common with the wild calls for political persecution of honest adherents to the Communist world outlook. In an extremist interpretation, anticommunism really can turn out to be "neo-Bolshevism." The "so-called democrat" calling for his political opponent to be persecuted not for specific actions which come under specific articles of the criminal code but for his philosophical convictions (however utopian they might seem from our viewpoint) is just as far removed from genuine democracy as Lavrentiy Beriya, member of the All-Union Communist Party (Bolsheviks), was from a Communist world outlook.

There is a folk saying that people do not wave their fists after a fight. Wrong. It is even very useful to wave fists for a while in order to commit to memory the mistakes made—for the future.

Last Wednesday I voted for Yeltsin, although, based on personal likes, maybe I would have preferred to vote for Bakatin. For all my respect for Boris Nikolayevich and what he has done, Vadim Viktorovich strikes me as a figure sensibly developing Yeltsin's line but more balanced and civilized. Being someone who has encountered him in my line of work, I have grounds for such conclusions, but the majority of voters did not have them.

Bakatin began too late to speak in his own name in big-time politics, having remained previously in Gorbachev's shadow. Even after his retirement, which he accepted with great dignity and which can only be regretted, right up until his nomination as a Russian presidential candidate, he did not make people speak of him as an independent political figure.

In addition, membership of the CPSU, which increased Ryzhkov's votes, took an equal number away from Bakatin. With his program geared to Russia's sovereignty and under conditions when "democratic centralism" has not yet been formally abolished in the CPSU, Bakatin was obliged if not to surrender his party card then at least to issue a statement about leaving the party if elected president.

Therefore, despite all the liking for him, it was not possible to vote for Bakatin. Conversely, it was impossible not to vote for Yeltsin in the political situation which had been created. Irrespective of his personal qualities, B. Yeltsin had already done so much, even before becoming president of Russia, and personally started up so many vitally important structures that his failure in the election would have produced the same effect as when a bottom block (any one) is removed from a pyramid.

In the still shaky equilibrium resulting from the nine plus one agreement, which is the only thing today which opens up reasonable prospects, the leaders of the republics are ready to cooperate with M. Gorbachev, with each other personally, and with B. Yeltsin personally. Of course, there is nothing good in the fact that political equilibrium in the country rests on individuals, and not on more reliable laws. Nevertheless, this is precisely how it is today. The individuals who are the guarantors of the key agreement do not know sufficiently who Bakatin is and know too well who Ryzhkov is. If the latter had won the election, this entire Nine plus One would have collapsed like a house of cards the very next day.

The thing is over, and now it is possible to move boldly on. Far? Let us see. It seems to me, and there is not a hint of disrespect for Boris Nikolayevich personally in this, that historically he is just as doomed a figure as Gorbachev.

Let us borrow a metaphor once used by the mustached joker Iosif Dzhugashvili: At an abrupt turn in history many passengers fly out of the carriage. The fall can be harder or softer, even honorable, but this is the tragic paradox: If you have fulfilled your historic mission, fly out of the carriage, and then there will be a memorial. The better you have fulfilled it, the more sure you are to fly out—this is the payment for making the turn. Will Yeltsin have time to get the "carriage" back onto the straight road during the five years allocated to the president? If he does, this will be one of those miracles that generally happen in history. If he does not, he will fly out at the turn, in order to pass the reins to the next person. And then there will be a memorial.

In general, since Yeltsin is not now defeated but victorious, we ought not to praise him in our newspaper, but for the time being there would seem to be nothing to curse him for. Let him work. Let us also not discuss Nikolay Ivanovich Ryzhkov, who flew out of the carriage several turns back, making allowances for his recent infarct. But let us turn and take a parting look at the three remaining aspirants. To some extent this is the face of Russia distorted by an ugly grimace, as though it has had some bad dream.

General Makashov, greetings. Of course, he does not represent the Soviet Army. If even any significant part of our army had subscribed to the same convictions as Gen. Makashov, the situation in the country today would be quite different. Either this army would long ago have shot us all or we, having buried the dead, would have disarmed it and broken it up, but we would not have managed without a civil war if there had been many people such as Albert Makashov there.

Mr. Zhirinovskiy, of the Liberal Democratic Party. What kind of political organization is this? Apart from Mr. Zhirinovskiy, who leaped like a devil from a snuffbox, its other figures are known to no one at all, and, to judge from this gentleman's statements, the epithets "liberal" and "democratic" do not stick in any way to this apology for a "party."

Scrutinized throughout the country on the first all-Union channel, the aspirant talked impossible nonsense about some "provinces," and if his program really did contain any standard and apparently tempting promises, they appeared no more well-founded than the well-known promise to build Communism in 1980. And yet he got 8 percent of the votes, overtaking the sensible and serious Bakatin. The phenomenon of Zhirinovskiy consists not in himself but in us, the voters.

This Mr. Zhirinovskiy is not such an inoffensive charlatan. His game was unerringly constructed with an eye to fatigue with politics and with the parliamentary talking shop and to a surfeit of it, which grows into an embittered feeling: There you are! It was an overtly lumpenized gamble, a test launch in ways of creating a small yet strong team of political adventurers. This did not come off today, but fatigue with the sterile political logomachy will build up unless the political tree begins, at last, to bear real economic fruit. So Mr. Zhirinovskiy has, maybe, not yet said his final word....

Tuleyev from Kemerovo. While not agreeing with many points in his program, at the same time I cannot say anything disrespectful about him, as distinct from the two candidates examined above. This is the only thing: Being known nowhere but the Kuzbass, Tuleyev had not the slightest chance of success. Why did he go up to the start?

There is just one reasonable explanation for this: to take votes away from the other aspirants in the Kuzbass. If there had been one such candidate in each Russian region, and there would be about 40 of these aspirants, then you see a second round would have been needed, although the end result could hardly have changed.

How is the political function of this aspirant to be defined? Such a concept exists in the U.S. political lexicon, and we are borrowing it in view of the lack of a Russian analogue: "spoiler," literally someone who spoils, so as not to use the specifically colored word "wrecker." He does not actually illumine anything himself but will put a spoke in other people's wheels. His task, realized or not realized by the outsider, is to get under people's feet.

This is the company. If someone wanted very much to make the Russian presidential election resemble a circus performance, he succeeded entirely. But, fortunately, it did not affect the result: A serious result ensued.

Your good health. Power of a totally new nature for Russia has come into being there (some analogues will be found, maybe, only in ancient Rus). This special nature of power is determined by the manner of its legitimate birth or, to use legal language, its legitimization: not passed down from the tsar to the tsarevitch or from the former general secretary through the narrow group of the boyar Politburo to the next general secretary but by means of an election—from the hands of the people as the bearer of true political sovereignty.

There are festivals and festivals, and it is possible to down champagne as though there were no tomorrow, but let us not forget also that the war is continuing, albeit, thank God, with increasingly peaceful means. An historically rare situation of a dyarchy has been created in the country: The new power has already come into being and intends to grow rapidly, but the old, increasingly decrepit power is not yet in any hurry to lie down in its coffin. Can they be reconciled and adapted to each other?

This is probably impossible mechanically. And it is not a matter here of the verbal disagreements which lie on the surface but of the deep-down, fundamental incompatibility of these two powers and their different sources and nature. At the same time, if we want to preserve (and we are obliged to) the bloodless nature of the revolution in Russia, we must seek nonmechanical ways to a political compromise, which will enable the old power to leave the historical arena in a worthy manner.

What a hard time they will give the future president for these compromises! Stand firm, Boris Nikolayevich, and be tolerant.

Khasbulatov Sees Pavlov Request As 'Desperation'

LD2106110591 Moscow All-Union Radio First Program Radio-1 Network in Russian 1000 GMT 21 Jun 91

[Report by correspondent Gennadiy Kolenov]

[Text] Good day, esteemed listeners! Literally a half hour ago the Russian Supreme Soviet gathered at its joint session. Ruslan Imranovich Khasbulatov delivered a clarification that was demanded of him by Russian parliamentarians in connection with speeches by a number of USSR Supreme Soviet deputies in the Union parliament concerning Prime Minister Valentin Sergeyevich Pavlov's request to be granted additional powers.

This is an attempt to cast doubts on the Nine plus One agreement at Novo-Ogarevo, where there was a positive process when the leaders did everything to ensure consolidation. The conservative forces carried out an attack on the president and on democracy. This is not the first attempt to wreck the process of reforms which is acquiring ever clearer dimensions in the republics.

Ruslan Imranovich Khasbulatov described as somewhat imprudent Prime Minister Pavlov's appeal to the country's Supreme Soviet on the transfer of additional powers to him. This could have been solved with the president as a matter of work procedure. It was his assessment that the premier clearly requested these powers out of desperation, and there is no need to dramatize the present situation. Khasbulatov proposed to restrict himself to information only and not to adopt any decision or appeal.

Well, at the moment, a discussion has arisen on this issue. I have in my hands the text of the appeal which has been circulated to the deputies and I would like to quote part of it: We reaffirm our desire to achieve a just treaty between the Union states. We support Mikhail Sergeyevich Gorbachev's desire to carry out reforms in the economy and for the development of democratic changes in the country. We reaffirm our resolve to pursue this course in harmony with all the repubics.

The debates are still going on. I will remind you of what went on at the morning session of the RSFSR Supreme Soviet. It met separately in chambers. The Soviet of the Union examined the draft law on the privatization of the housing fund in the RSFSR. This draft law is already being examined for the third time, and its fate has still not yet been decided. Mikhail Akeksandrovich Bocharov, chairman of the Russian Supreme Economic Council, said in his speech that work on a tax system, as well a system of payments, and so on have still not been completed. This law cannot be adopted.

The Soviet of Nationalities and the commission of the Soviet of the Republic of the Supreme Soviet for budget, planning, taxes, and prices was presented with a draft law on the basis of a budget system and the budget process in the RSFSR. Well, this is the first presentation of this draft law, more work needs to be done on it in committees and commissions.

Deputies Comment on Pavlov Request

LD2206210691

[Editorial Report] Moscow Russian Television Network in Russian at 1543 GMT on 22 June carries the 14-minute "Russian Parliamentary Herald" program, introduced by Rasul Mikailov, member of the Russian Soviet

Federated Socialist Republic [RSFSR] Supreme Soviet, who is seen standing in a foyer with two other deputies identified by caption as V.N. Podoprigora, deputy chairman of the RSFSR Supreme Soviet Committee on Interrepublican Relations, Regional Policy, and Cooperation; and V.V. Volkov, chairman of the Subcommittee on Investment Policy.

Mikailov begins by saying: "I am holding a copy of the text of the RSFSR Supreme Soviet draft appeal to the peoples of the RSFSR and the supreme soviets of Union republics. A special joint sitting of the two chambers of the Supreme Soviet was specially convened to discuss and adopt the appeal. Even though a majority of deputies present voted for it, this was still not enough for a qualifying majority and it was not adopted. Even so, the reasons which gave rise to the appeal remain and I would now like to talk in greater detail about those reasons. What was it that gave rise to this appeal?"

Podoprigora replies: "Alarm. Alarm, above all, of course, in connection with the processes taking place in the USSR Supreme Soviet. Viewers are undoubtedly aware that a closed sitting of the USSR Supreme Soviet was held at which speeches were made by Pugo, Yazov, and Kryuchkov, and at which Pavlov requested special powers for himself. Moreover, he made this request not directly to the president but to the Supreme Soviet, by-passing the president, as it were. And all of this gave us deputies of the RSFSR Supreme Soviet the feeling that the line which we had laid down in the Supreme Soviet, and that line which was supported by the Russian people when they elected Boris Nikolayevich Yeltsin on 12 June, was in jeopardy because, if the USSR Supreme Soviet had given Pavlov special powers then, naturally, it would have been the Pavlov program, the one he presented to the Supreme Soviet and which has nothing in common with our line toward a market economy and toward the democratization of society, which would have been put into practice."

Hence, he goes on, the call for the special sitting, and though only 83 deputies voted for the appeal he believes they had an impact, for at the USSR Supreme Soviet session afterward Pavlov withdrew his request for special powers, "and therefore, we might say, the threat of a quiet coup in the country has perhaps receded for a time."

Mikailov remarks that there appear to be forces opposed to Russia's move toward sovereignty and independence, and perhaps Pavlov is the instrument of those forces. He wonders who they might be. Volkov replies that everyone can see that it is the Soyuz group which embodies those forces, recalling that it was that group which proposed the discussion of the economic situation in the country at a time when it was as difficult as it could be. The situation is somewhat more stable now, following actions taken by the USSR president to provide social protection and following the election of the Russian president. If the USSR prime minister wanted to make changes to economic arrangements with the republics, this should have been done in concert with them, but "to go to the USSR Supreme Soviet, behind the back of the USSR president who has the powers and the means to influence the implementation of the program, inevitably creates the impression of some kind of conspiracy." This would seem to be a reaction to the Novo-Ogarevo agreements and the projected restructuring of state power in the Cabinet of Ministers and the USSR Supreme Soviet, a fear on the part of those forces of losing their power, he states.

Mikailov asks whether the policies proposed by the Cabinet of Ministers are in keeping with the new process of delegation of powers to the republics. Podoprigora replies: "No, no longer. Given that the Nine plus One statement has been signed, and given that, on the instructions of Gorbachev and Yeltsin—and Nazarbayev, too, I happen to know—Yavlinskiy has drawn up a special program for implementing economic reform in the union of sovereign states, then the program proposed by Pavlov is in total contradiction to both those important documents. Naturally, Valentin Sergeyevich would seem to have been unable to find any other methods of getting his way other than trying to take power directly into his own hands by using the Supreme Soviet to edge the president out of power."

Podoprigora goes on: "As for the question of the forces behind this, then whereas in the USSR Supreme Soviet it is the Soyuz group, in our parliament—as can be seen from the results of name votes—it is the Rossiya group. When we voted on this document those who withheld their support were the members of the Rossiya group. We know that the Rossiya group is an offspring of the Soyuz group. They coordinate their actions. In our parliament they are represented by the likes of Baburin, (Lisin), and Pavlov; while the Soyuz group contains people like Umalatova, Alksnis, Gil—people pretty well known to our people." Their attitudes are well known, he adds.

Mikailov asks what measures are now in hand to ensure sovereignty for Russia. Volkov replies by outlining the role ascribed to the Supreme Soviet to balance the powers of the president in the event of any excesses. He goes on to note that the USSR president now appears to be moving toward a position of greater support for the republics.

Mikailov then asks Podoprigora to say a few words about the new Yavlinskiy program. Podoprigora replies: "It can be said that this is not only Yavlinskiy's program; international experts have also had a hand in preparing it. Grigoriy Alekseyevich drew it up in the United States, and in my view this program very much resembles the 500 days program. A significant difference in this program is that it provides for an active part to be played by the international economic community in the processes of reshaping our country. As for the fundamental points to do with developing private initiative and stabilizing the country's financial state, as well as other principles enshrined in the 500 days program, these occur also in the present program." He concludes by saying that he is sure that the program will be supported by RSFSR deputies, just as they supported the 500 days program, and they are already preparing the base for it with the legislation they have been adopting over recent months.

TASS Roundup of 20 Jun Supreme Soviet Session

LD2106080291 Moscow TASS International Service in Russian 1636 GMT 20 Jun 91

[By TASS parliamentary correspondents Yuriy Kozmin and Andrey Surzhanskiy]

[Text] Moscow, 20 Jun (TASS)—The Russian Federation law on privatization of the housing stock, which was considered and given a first reading today by members of the Soviet of Nationalities (one of the chambers—TASS) of that republic's parliament, is intended to answer the question of how to solve the acute housing problem in the Russian Federation. The document envisages the implementation of privatization through "free transfer or sale to citizens, on a voluntary basis, of the residential premises occupied by them in the state and municipal housing stock."

The law provides for the introduction of a standard living area, above which citizens will make additional payments for the extra housing space or receive compensation if their apartments are worse or smaller than the standard.

According to the document, it is planned to use the proceeds from the privatization of housing for the further expansion of house construction.

The Soviet of the Republic today gave a first reading to the draft law of the Russian Federation "on rehabilitation of the victims of political repressions," which was drawn up by the parliamentary committee on human rights.

In the opinion of its authors, rehabilitation ought to apply to all people subjected to repression since 7 November 1917. It is planned not only to restore the rights of those who were repressed and to give them the opportunity to return to their former homes, but to pay financial compensation as well.

The parliament also gathered for a joint sitting of the chambers today to discuss the program for the fight against crime in the Russian Soviet Federated Socialist Republic for 1991 and 1992. However, the majority of Supreme Soviet members considered that the document had not been studied in sufficient detail, because the program had not been discussed in parliamentary committees and commissions. It was decided to send it off to be finalized and then to be presented at a subsequent sitting.

Tomorrow, the Russian Supreme Soviet will continue its work in separate sittings of the chambers.

21 Jun Supreme Soviet Proceedings Reported

LD2106214191

[Editorial Report] Moscow Russian Television Network in Russian at 193[illegible] GMT on 21 June carries a 36-minute program of recorded excerpts of the RSFSR Supreme Soviet session in Moscow.

The announcer begins by saying that the session began with the chambers meeting in separate sessions. The Soviet of the Republic discussed the housing bill. A joint session was then called at which Deputy Khasbulatov, who was the first to speak, explained concerns in the Supreme Soviet about the Novo-Ogarevo discussions on the new Union treaty.

At 1940 GMT Khasbulatov begins to speak. He refers to the strategic line being pursued toward a new Union structure and the anxiety naturally provoked by recent statements by certain deputies in the Union parliament casting doubt on the future of the Novo-Ogarevo agreements. It is an unpleasant fact, he says, which must be watched carefully. The Union president of course has the right to hand over certain functions to the prime minister and government, but the way this has been demanded in recent days is worrying. He refers also to remarks by representatives of the armed forces and allied institutions—these, taken together with the aforementioned events, are a source of concern, he says. I do not want to over-dramatize the situation, Khasbulatov says, but all of these processes need to be watched, and the authority of our voice has to be exercised. He says he does not propose that any special statement should be adopted on the matter. He concludes by noting that tomorrow is the anniversary of a very emotional event—the invasion by fascist Germany in 1941. The RSFSR Supreme Soviet has always taken seriously the need to provide adequately for the country's armed forces and will honor the memories of those who fell.

At 1954 GMT Deputy Gurevich speaks from the floor, returning to the doubts being cast on the Novo-Ogarevo process, recalling how the 500 days program was torpedoed by "certain forces" and drawing parallels with the present situation. He thinks, therefore, that the parliament should adopt an appeal for the proper conclusion of the process.

At 2000 GMT Deputy Deryagin, speaking from the floor, continues the theme and suggests that Khasbulatov should explore deputies views and consider having an appeal drafted. The announcer says this course of action was approved. He adds that the session went on to discuss bills on privatization and the budget process.

At 2003 GMT the video cuts to show a lobby interview with Deputy Gurevich, recapitulating the morning's proceedings and going on to elaborate his own views, as chairman of the Commission on Foreign Investment, on possible forms of foreign investment in Russian enterprises, and on the need to inculcate in ordinary people an understanding of the importance of such investment.

Khasbulatov Addresses Deputies

LD2206102891 Moscow Russian Television Network in Russian 1940 GMT 22 Jun 91

[Report by Ruslan Imranovich Khasbulatov, first deputy chairman of the Russian Soviet Federated Socialist Republic, RSFSR, Supreme Soviet, to the RSFSR Supreme Soviet session in Moscow on 21 June—recorded]

[Excerpt] Comrade People's Deputies, your request has been passed asking me to elucidate the speeches by deputies in the USSR Supreme Soviet. These speeches are, apparently, directed toward a critical approach to, in my view, those wonderful achievements of the Novo-Ogarevo process that draws the signing of the Union treaty closer and concerning the speech by Comrade Pavlov, prime minister of the cabinet, requesting that he be given additional powers.

Deputies are inclined to believe, and so am I, the decision on very serious restrictions on the transport of certain consumer goods under the guise of struggling against speculation smacks very much of the well-known decree of 1986. As you may recall, the decree of 1986 was the struggle against speculation that in effect marked the beginning of rapid erosion in the market.

Therefore, given the opportunities and information that I possess I would like to elucidate some things in my address to you. Well, it is more convenient for me to speak from the rostrum.

Esteemed comrades, you know that at least since April a very serious unification of sociopolitical forces has been under way in our country. It seems—and I hope that this continues for a long time—various types of political and ideological accusations by various groups and various politicians criticizing one position or another have been set aside.

Well, criticism is always necessary but it has been from rather harsh and, at times, even bitter positions. You and I know very well that such conflicts are fundamentally rejected by the majority of our population. I think that the recent elections for the Russian Federation president are also to a great extent the result of what was achieved by the statement of the 10—the leaders of the nine Union republics and the country's president. Since then, quite consistently and intensively, a process of actual and real consolidation has been under way. Much is being said but we have not seen in specific action; perhaps to a certain extent, we, too, bear a considerable part of the blame for this and we cannot totally deny it.

The people and ourselves, as it were, are looking to the future with great hope and with very serious optimism and we are sure that this process of unification will undoubtedly continue. Very good evidence of this is the success of our last congress. It was very successful in our view and, I think, in the general view.

Of course we all watch with anxiety and perhaps at times even with heightened suspicion and look at certain steps that, as it were, run counter to this basic strategic line leading to the unification of our political ranks; and all the more so since it is now finally clear that the main sphere of the transformation activity—I mean for those to whom it was not clear before, to us, to the majority of us it was probably clear from the very start that the chief sphere of our successful or unsuccessful activity is the economic sphere—is the sphere of economic management. People will naturally judge the success and effectiveness of the work of any politician, any representative body on whether it improves the situation, the material situation, the social situation or whether everything remains just as bad as it was or even gets worse. Therefore, I personally have never regarded political unification as an end in itself but as the main strategic means of resolving the economic problems of our population. This is a powerful means making it possible to direct the basic strength and energy, including our own, precisely toward resolving socioeconomic questions.

In this connection, of course, we are very seriously concerned by the latest speeches by a number of deputies in the USSR Supreme Soviet. Large groups of our deputies have approached me in the past few days; there have been very many telephone calls and very many telegrams.

We can see the rather serious anxiety of our public. The first thing is the attempt to cast doubt on the legality of the actual Novo-Ogarevo accords, the statement of the 10. You will remember that some time ago many people justly reproached us, including this parliament, for, among other things, dragging our feet on solving the main problem of our fatherland: the Union treaty. Now that its contours have become fairly well defined and apparent and things have not just got moving there, but, strictly speaking, there are not all that many issues left to reach final agreement on including, and principally as a result of, discussion here at the Supreme Soviet. The leaders have done everything in their power to present that document to the Supreme Soviets, all of a sudden we start hearing calls from some groups of deputies in the Union parliament doubting whether we actually need that Union treaty. This is a very unpleasant fact, but no less a fact, and we need to pay very serious attention to it.

Another fact that puts us deputies and, strictly speaking, many people on our guard is the prime minister's direct appeal to the USSR Supreme Soviet, bypassing the president, as it were, for additional powers, an appeal that I consider insufficiently cautious. You know, we are alarmed by any talk of such additional powers going beyond the Constitution and existing traditions. When the country's president is invested with very great powers—any one of which he can transfer to his prime minister, painlessly, of course, for it is his constitutional right—but the prime minister bypasses the head of state and appeals to parliament. He meets with support from, generally speaking, the very forces that are against the

Union treaty, the combination of those apparently coincidental circumstances has, of course, not gone unnoticed by our deputies.

This is accompanied by the resolution adopted on the main customs directorate, or customs committee, as it is now called, and I spoke about it literally a few days ago: It bypassed the governments of the Union republics and worsens a situation that is, generally speaking, already dreadfully complicated. This is especially true, because it does not stand up to any criticism from financial and monetary policy. We do not have the goods to somehow accumulate an unbroken flow of money issued, the issuing process. It would appear even that the logic of common sense should require us to make all possible efforts to stimulate, somehow, the delivery of foodstuffs, clothes, and other quick-selling goods, to use them to accumulate funds. You know, yesterday I received a whole pile of telegrams, including one from Chelyabinsk Oblast, from miners who have gone deep down the mine and do not want to come up.

They are not demanding very much. They ask for foodstuffs, clothing, footwear, and nothing more. And we are not in a position to provide this. How does Comrade Pavlov intend to provide for the needs of our people by such means? We also drew the comrades' attention to the demands of the leaders of the Peasant Union on imposing a state of emergency and the closed session of the Supreme Soviet where the heads of defense policy departments spoke. Each of these episodes and events may not have any major significance individually. But if you take into account the short space of time involved—two or three days—and how these events link, it arouses certain suspicions among a number of deputies. Thus, you may have noticed that yesterday I presented our views on television—or rather, what I took to be our views, they were naturally my views—and gave a certain condemnation of events of this sort. I think we are of course entitled to express our views, particularly on the first point, the Union treaty, considering that the Supreme Soviet—I remind you—adopted a special decision approving the activities of our chairman regarding the signing of the statement of the 10. Naturally I have had talks with the country's highest leadership, and I agree to a large extent that there have been certain blunders, and perhaps this is not at all from the angle of some sort of plot. It may be that the prime minister despaired somewhat of implementing essential measures by means of what I regard to be the perfectly adequate functions vested in him by the Constitution, and which the president himself is entitled to extend. So I wouldn't particularly dramatize the situation. At the same time, since we are pursuing a fairly consistent policy aimed not at a sham and purely paper consolidation, but at real consolidation, we must closely follow all these processes and give voice to our very authoritative views. I think our views ought to have very serious significance both for the USSR Supreme Soviet and for our country's prime minister and Cabinet.

That's all I wanted to say on this matter. Thank you. Frankly speaking, I would propose confining ourselves to my statement, without adopting any special decision at this stage. That does not of course absolve us of the need... [changes thought] our session has started, we can meet at any time. What do you think? [noises of approval] Thank you. [passage omitted]

Khasbulatov on Union Treaty

LD2106194591 Moscow TASS in English 1911 GMT 21 Jun 91

[Report by TASS correspondent Yuriy Kozmin]

[Text] Moscow June 21 TASS—Ruslan Khasbulatov, first deputy chairman of the Russian parliament, addressed today a joint session of the chambers of parliament. He gave an assessment of a political situation in the Soviet Union on the eve of the signing of the new Union treaty. He pointed out that a process of unification of various political forces was now taking place in the country. He believes that this is a positive factor in the settlement of topical socio-economic problems.

Khasbulatov said that "tremendous work was done in Novo-Ogarevo to complete the draft Union treaty, and just a few issues remain to be coordinated." At the same time, he continued, some deputies to the federal parliament are trying to call into question the legitimacy of the Novo-Ogarevo accords and the statement of the ten. They support the request of Prime Minister Pavlov to give him emergency powers, addressed to the federal parliament.

Khasbulatov believes that the Russian parliament should express its attitude to such statements.

The Russian legislators continued to discuss documents at separate sessions of the chambers. The Council of the Republic adopted at first reading the draft law on the privatisation of housing. It envisages "a free transfer or sale to citizens on a voluntary basis of the dwellings they live in, which belong to the state and municipal authorities." The money received as a result of the privatisation of housing will be channelled into the expansion of housing construction.

The Council of Nationalities adopted at first reading the draft law on the budget and discussed the draft law on foreign investments.

'Unprecedented' Narcotics Ring Found in Leningrad

LD2206065391 Moscow Radio Rossii Network in Russian 1300 GMT 21 Jun 91

[Text] And now a crime report from our Leningrad correspondent Denis Gurinskiy.

[Gurinskiy] An intensive investigation is being conducted by the Northwestern Interregional Department of the USSR Ministry of Internal Affairs [MVD] for combatting drug business in relation to a criminal grouping of drug dealers which was active in the Leningrad Vavilov Research Institute for Plant Breeding. Nikolay Ukhmenev, head of the Northwestern Interregional Department of the USSR MVD for combatting drug dealing, told your correspondent that currently the investigation is nearing completion. Soon criminal cases against, I quote, a large group of people, will be referred to Leningrad court offices.

Ukhmenev said that this is an unprecedented investigation indeed, as all the 38 people now in custody and under investigation are only leaders of this group of drug dealers, which manufactured in their underground lab a combined synthesized narcotic until then unknown in the world. One of the investigators, who wished to remain anonymous, said that in fact this group numbered no fewer than 300 people; investigators, however, cannot yet indict many of them, as they are quite skilled individuals who are linked with important structures.

The investigator predicts that even the trial of those already arrested will have thunderous repercussions throughout the USSR. As is known, during the arrests of drug dealers carried out by the northwestern department for combatting drug dealing some months ago, drugs were seized from the syndicate to the amount of 3 million rubles [R], valuables to the amount of R1 million, and also several dozen units of weapons and ammunition. This was Denis Guretskiy for Radio Rossii.

Western Republics

Reportage on Belorussian Supreme Soviet Work

Approves Signing Union Treaty

LD2306185891 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 23 Jun 91

[From the "Vremya" newscast]

[Excerpt] The Belorussian parliament has approved the basic clauses of the draft Union treaty and charged Nikolay Ivanovich Dementey, chairman of the Supreme Soviet of Belorussia, with signing the draft Union treaty on behalf of the Belorussian republic. Work on the draft continues. [passage omitted]

Conscription Resolution Adopted

LD2106091691 Minsk Radio Minsk Network in Belorussian 0300 GMT 20 Jun 91

[Text] On 19 June, parliamentarians at the fourth session of the Supreme Soviet of the Belorussian SSR [Soviet Socialist Republic] finally adopted the Supreme Soviet resolution on persons called up into the USSR Armed Forces doing their military service on the territory of the Belorussian SSR. It consists of only two points. The documents which had been taken into consideration were prepared by the USSR Cabinet of Ministers. The deputies' commission was instructed to generalize the proposals put forward by the people's representatives during the discussion.

It seemed that the discussion of the draft law on increasing the responsibility for breaking traffic regulations in the Belorussian SSR would go as calmly and quickly. However, with its heaed passions the discussion reminded one of debates on the hottest political issues. Concern was caused by a considerale worsening of discipline on the roads. Nevertheless, agreement has not been reached. Individual articles of the draft law were sent to the commission for additional work to be carried out on them.

At the evening sitting the deputies started to discuss Point 23 of the agenda: on introducing the post of the president of the Belorussian SSR and introducing changes and amendments to the Constitution, the main law of the Belorussian SSR. Forty-five people put their names down for debates.

Kebich Calls Federal Tax 'Extortion'

LD2206181191 Moscow TASS International Service in Russian 1202 GMT 21 Jun 91

[Text] Minsk, 21 Jun (TASS)—Vyacheslav Kebich, head of the Belorussian Government, has criticized the last decision of the USSR Cabinet of Ministers "on organizational measures for working out industrial programs for socioeconomic development of the enterprises, regions, republics, and the USSR for 1992 under conditions of market relations development." He did so when addressing the Belorussian Supreme Soviet session.

The head of the republican government stated that the provision of resources through the system of state orders envisaged in the document is especially painful for Belorussia, fully dependent as it is for fuel, metal, an enourmous amount of raw materials, wool for the light industry, and many other materials, all of which are brought from outside. The republic's enterprises have found themselves facing the need to establish direct relations with their suppliers, who request that the goods they supply in excess of state orders be paid in contractual prices. This means practically uncontrollable price increases.

In the opinion of the Belorussian parliamentarians, the federal tax being introduced by the decision of the USSR Cabinet of Ministers is extortion. It has been set at 10 percent of the cost of products sold. Given conditions in Belorussia, this means a three-fold increase in the payments into the Union budget in comparison with this year, which is up to 10 billion rubles, which is practically equal to Belorussia's national budget.

It is also being envisaged that the funds needed for eliminating the consequences of the Chernobyl nuclear electric power station catastrophe will not be allocated from the Union budget but through fixed-share deductions from the republics' budgets. In other words, this means that the republics that suffered as a result of the Chernobyl catastrophe will have to go hat in hand and ask for charity to clean up its consequences. "It is necessary to speed up the process of handing the Union property over to the republics's jurisdiction, and appeal to the leaders of all sovereign states of the country suggesting they immediately get together to decide the pressing questions directly, bypassing the center," said Vyacheslav Kebich.

Belorussian Parliamentary Group States Goals

LD2106182791 Moscow TASS International Service in Russian 1241 GMT 19 Jun 91

[Text] Minsk, 19 Jun (BELTA-TASS)—The establishment of a new parliamentary group, "Communists of Belorussia for Democracy," was announced today by the group's leader, Aleksandr Lukashenko, a former history teacher who is now director of a state farm. The group is composed of more than 30 CPSU deputies. Before this there were two main groups in the Belorussian parliament: the Communist Party group and the parliamentary opposition of the Belorussian People's Front.

A statement issued by the new group says: "The Belorussian Supreme Soviet's work over the past year has shown that the activities of the party group are directed at protecting the interests of the command and administrative system, while party bodies in the regions are continuing to interfere in state and economic affairs, despite the repeal of Article 6 of the USSR Constitution."

The Communists who have formed an independent group stress their disagreement with the policies of the republic's Communist Party leadership and declare their intention to encourage the development in the republic of all forms of ownership and of enterprise in all fields defined by law, to advocate the protection of the individual and of the minority rights, and to promote the transformation of the Communist Party of Belorussia into a parliamentary party. The group supports complete authority for the soviets, opposes unfounded criticism of Communists who are honestly fulfilling their duty to the people, and backs firm discipline in industry.

The leader of Belorussia's Communists, a 600,000-strong group, Anatoliy Malofeyev, member of the CPSU Central Committee Politburo and first secretary of the Communist Party of Belorussia, believes that the statement is an internal party matter.

"Its authors are accusing the Central Committee of wrecking the economy and of committing other sins, while at the same time doing everything possible to paralyze the Central Committee' practical work. I am angry at the attempt to set the Central Committee against Communists working in the government," Anatoliy Malofeyev said.

Ukraine Rally Opposes Signing Union Treaty

LD2306165191 Moscow TASS in English 1626 GMT 23 Jun 91

[By UKRINFORM-TASS correspondents Aleksandr Litvinov and Aleksey Petrunya]

[Text] Kiev June 23 TASS—"No to a Union treaty," chanted participants in a rally in the Ukrainian capital today. The rally was organised by the Ukrainian Rukh popular movement and the Ukrainian Republican Party.

Speakers noted that the signing of a Union treaty will strip the Ukraine of its independence and continue its colonial existence. They noted that only the Ukraine's complete independence can resolve problems in the republic.

Reportage on Ukrainian Supreme Soviet Activities

Three New Ministers Confirmed 19 Jun

LD2206134291 Kiev Radio Kiev International Service in Ukrainian 2200 GMT 19 Jun 91

[Excerpts] The echo from yesterday's debates in Parliament continued to reverbarate over the heads of deputies today. As is known, what mattered was the participation of Leonid Kravchuk, chairman of the Supreme Soviet, in the work of the preparatory committee regarding the new Union treaty.

This committee has completed its work. Its product has already been richly commented on, also by people from the highest peak. At today's session, deputies accentuated the differences in these comments, especially in those voiced by Mikhail Gorbachev and Leonid Kravchuk. The Ukrainian parliament came out with a demand to be familiarized with the minutes of the sitting of the preparatory committee and also to establish full openness regarding the work of other high organs of the Union in order to prevent harming the Ukraine's sovereign interests. Deputy Henrikh Altunyan said:

[Begin Altunyan recording] Indeed, yesterday the country's president laid quite a different emphasis. In his speech he said that it would be very much otherwise, that is that you will, on behalf of the republic, delegate some powers to the center. You, as you remember, said something contrary to this.

Apart from this, I'd like to turn the attention of everyone present that closed sittings were held twice already in Moscow, which were addressed by Kryuchkov, Yazov, and Pugo. And we here, it seems to me, have the right to know what they talked about, especially if the fate of the Ukraine is involved. We also know that among the speakers was Pavlov who, even without seeking Gorbachev's agreement, demanded some rights.

Therefore I propose to review the schedule of our sessions. It seems to me that we should approach more responsibly the question of whether it would be correct or not for us to have a recess in July. [end recording]

[Announcer] Following this, the house resumed discussing and approving amendments to the draft bill on introducing changes and additions to the Ukrainian Soviet Socialist Republic [SSR] Constitution. [passage omitted]

Thus the amendment was passed on what bodies are entitled to the right to initiate changes in existing legislation. They are: the Supreme Soviet, Ukrainian people's deputies, the Supreme Soviet Presidium and its chairman, parliamentary commissions, the Constitutional Court, the Cabinet of Ministers, the Supreme Court, the procurator general, the Supreme Soviet of the Autonomous Crimean SSR, and the Ukrainian SSR Academy of Sciences. No political parties and trade unions will have such rights. As at previous sessions, many amendments were rejected.

During the break, members of the official opposition—Narodna Rada—gathered for a meeting. They discussed initiating in Kiev on 23 June mass actions regarding the possibility of signing the Union treaty by the Ukraine. It is planned to hold two huge meetings and a mass demonstration along the Khreshchatyk, Kiev's main thoroughfare. Outside all subway stations and railway and bus terminals a broad persuasion campaign will be conducted by people's deputies. Great numbers of leaflets and posters will be issued. The activists of Rukh [Ukraine People's Movement for Perestroyka], the URP [Ukraine Republican Party], and students' formations have volunteered to assist.

Afterwards, Levko Lukyanenko, leader of the URP, gave an interview. [Begin Lukyanenko recording] I believe that we have entered an extremely responsible period. If the Communist partocracy succeeds in imposing upon the Ukraine a new Union treaty, it will mean that we shall find ourselves in a colonial yoke once again. It will be a horrible (?act). Therefore, being aware that historically we are at the threshold of an event equal to those of 1654 and 1922 when, respectively, the Ukraine signed the Pereyaslav Treaty which initiated our slavery that lasted for several centuries, and when, in 1922, a treaty was imposed upon the Ukraine which began the 70-year-long genocide of the Ukrainian people. Within the next few weeks we may have a similiar, far-reaching event, when the Ukraine will be shackled with a new colonial yoke. Therefore, myself and the Narodna Rada are sparing no efforts in preventing the signing of this Union treaty. [passage omitted] [end recording]

[Announcer] The parliament confirmed two new ministers: Viktor Salnikov was minister for denationalization of property and demonopolization; and Valeriy Kravchenko as minister for foreign economic relations. The three other candidates for other ministerial portfolios were rejected for the second time, namely Mykola Zhulynskyy, Yuriy Shcherbak, and Petro Talanchuk. Then Prime Minister Vitold Fokin submitted the three once again. This time Yuriy Shcherbak succeeded—he became minister for environment protection. [passage omitted]

20 Jun Session Detailed

LD2206140291 Kiev Radio Kiev Network in Ukrainian 1900 GMT 20 Jun 91

[Excerpt] The session of the Ukrainian Soviet Socialist Republic [SSR] Supreme Soviet continued today. At the morning sitting the people's deputies continued to discuss information presented in a speech by Tkachenko, the state minister for issues of agro-industrial complex and minister of agriculture, who spoke on behalf of the government on 19 June. The information concerned putting into practice urgent measures to improve the financial and economic situation of collective farms and stepping up social development of villages. The resolution on this issue has been assumed as a principle. The final variant has to be submitted to the session after finalization in the standing commissions. Important measures, which should relieve pressure on the increasing prices for manufactured goods and allow producers of agricultural products to carry out social changes in villages, are laid down in the resolution. However, as Masyk, first deputy prime minister, noted, almost 16 billion rubles will be necessary to implement this resolution while currently the republican budget deficit ties the government's hands.

The bill on responsibility for creating military security formations and other military formations that are not envisaged by law was adopted yesterday in its first reading. It was noted both in the report by Vasylyshyn, the Ukrainian SSR minister of internal affairs, and in the report by Kondratyev, the chairman of the standing commission, that there are no military formations in the Ukraine similar to those in the Transcaucasus and in the Baltic yet. Therefore this bill has a preventive function.

When should the president of the Ukraine be elected? This issue was a subject of discussion during the last hour of the evening sitting. Shyshkin, deputy chairman of the standing commission for issues of law and legislation, delivered a report. He presented arguments in favor of the immediate institution of presidency well before adopting the new republican constitution. Probable terms for elections would be the autumn of this year. [passage omitted]

Proposal on Presidency Adopted 21 Jun

LD2106154191 Kiev Radio Kiev Network in Ukrainian 1300 GMT 21 Jun 91

[Text] The morning session of the Ukrainian Supreme Soviet was devoted to discussing the election of the president of the Ukraine. In their speeches, people's deputies emphasized the fact that the introduction of the presidency was envisaged by the draft concept of the new constitution and also by the need to reinforce executive power in present-day conditions.

The session adopted a decision to the effect that it would be exepedient to create the presidency of the Ukrainian SSR ahead of the adoption of the new Ukrainian constitution. The Supreme Soviet deemed it necessary to hold the elections of the head of state in 1991.

On the proposal of people's deputies, the Supreme Soviet adopted a decision on partial curtailment on the territory of the Ukraine of Article 8 of the Law on the USSR Budget. The session also dealt with the question concerning the action of the laws regarding the consequences of the Chernobyl catastrophe and why they are not being applied. A draft decision on this question was adopted and sent to the appropriate parliamentary commission for conversion into an acceptable document.

The Supreme Soviet will meet again early on 25 June.

Zhirinovskiy Rejects Ukraine President Candidacy

LD2206073691 Moscow Central Television First Program Network in Russian 1200 GMT 21 Jun 91

[Interview with Vladimir Zhirinovskiy, former Russian Federation presidential candidate, by unidentified correspondent in Moscow on 21 June; from the "Television News Service" program—recorded]

[Text] [Correspondent] It is known that the Ukrainian Youth Marxist Organization has proposed your candidacy for the post of Ukrainian President. What is your reaction to this?

[Zhirinovskiy] I react negatively to any proposals apart from those that already existed: candidate for Russian president and, if there are elections for Union president, candidate for USSR president. The questions should be decided for the country as a whole. The young people here are rushing things a little, it is important to begin by getting my consent first. Maybe the young people did this from the bottom of their hearts. Then I am grateful to them, if they want a president for the Ukraine who also intends to preserve the Ukraine within the context of a union with Russia. Then I will support them. Support them morally, but they have to look for the president locally.

[Correspondent] One more point: How many members of the Liberal Democratic Party are there? There are different rumors....

[Zhirinovskiy] Well, to speak frankly, 20,000 already. And before the end of the year there will be several hundred thousand people.

[Correspondent] Vladimir Volfovich, one more question. Your party is being called the pocket party and they say that it was created in Staraya Ploschad [address of CPSU Central Committee].

[Zhirinovskiy] Yes, the same old mistake, the same old story. Well, what relation could there be between Staraya Ploschad and a party with a completely opposite orientation, a party that is developing on its own. If this is so, the party could have given its votes to Ryzhkov. I could have been helping Ryzhkov, who is the child of Staraya Ploschad. But I did not help him. Yeltsin may have been made by Staraya Ploschad. Yeltsin, Afanasyev—they were the apologists of Staraya Ploschad. But I want to revive the party of the cadets, the Octoberists, and all those moderate parties that were banned in December 1917.

Rival Ukrainian Factions Plan Competing Events

PM2006094391 Moscow KRASNAYA ZVEZDA in Russian 19 Jun 91 First Edition p 1

["Direct Line" report by correspondent Colonel V. Bogdanovskiy: "Who Will Stand in the Way of the Peace March"]

[Text] Lvov—War and labor veterans, labor collectives, and the Ukrainian Communist Party oblast committee, city committee, and rayon committees in Zaporozhye Oblast were the initiators of the holding of the "Fraternity" peace march 17 through 23 June. The action gained support throughout the Ukraine. It was also approved by the Ukrainian SSR [Soviet Socialist Republic] Supreme Soviet Presidium, the Ukrainian Communist Party Central Committee, the republican Committee for the Defense of Peace and republican Committee of War and Labor Veterans, the republican Commission for Great Patriotic War Partisans' Affairs, the Ukrainian Independent Trade Union Federation Council, the Communist Youth League (Democratic Youth League), the Voluntary Society for the Promotion of the Army, Air Force, and Navy Central Committee, and the Military-Political Directorates of the Kiev, Odessa, and Carpathian Military Districts, Western Border District, and Black Sea Fleet.

The main aim of the march is to protect the people's memories of the past, consolidate the republic's working people at this difficult time for the Ukraine and the whole of the Soviet Union, and intensify the patriotic education of young people.

Some opposition is also in evidence, unfortunately. In Lvov, in particular, the "Memorial" fraternity of national liberation struggle veterans, the Union of Ukrainian Political Prisoners, the Ukrainian Artists Union, the Lvov City Soviet Executive Committee Culture Department, the Ukrainian Sports Association, and public organizations and political parties, including the Lvov regional organization of "Rukh," intend to hold a whole series of events in the latter half of June. But, the discussion will not be about the Great Patriotic War participants, those who shed blood and gave their lives fighting against the fascists for the honor and freedom of the socialist Fatherland. It will be about those who actually fought on the side of the Hitlerites and killed hundreds of thousands of their compatriots.

Last year, as reported in the press, the all-Ukrainian "Rukh" assembly rehabilitated the Ukrainian nationalists' organization—the Ukrainian Insurrection Army—

and elevated their representatives to the rank of national heroes. A monument and a museum are being opened to none other than Ye. Konovalets in the village of Zashkov, where he was born, and celebrations are being held in honor of Ye. Konovalets in Lvov itself. There will be requiems in cities and in all oblasts for troops of the Ukrainian Insurrection Army and troops of the Zaporozhian "sich." On the border of Lvov, Ternopol, and Ivano-Frankovsk Oblasts, on Kornivka Hill, near the village of Lapivka, there will be a rally to mark the laying of the foundation stone of the monument "To the Fighters for the Freedom of the Ukraine," and a world congress of participants of the national liberation struggle in the Ukraine will open in the oblast center 24 June.

Youth Supports Ukrainians Outside Republic

LD2206062491 Kiev Radio Kiev International Service in Ukrainian 2300 GMT 20 Jun 91

[Excerpts] The Ukrainian Youth Association [UYA] was formed in Moscow in May 1990 by representatives of nearly 30 culture-enlightening and public organizations of Ukrainian young people who live outside Ukraine in other republics of the USSR.

According to the Association's charter, its tasks are: consolidating Ukrainian youth living beyond the borders of Ukraine; establishing closer contacts with the Ukraine and its state and non-government organizations; assisting in democratic processes in the Ukraine, and in places of its members' residence; reviving and propagandizing the traditional spiritual and cultural values of the Ukrainian people; counteracting processes of linguistic and cultural assimilation; and establishing vigorous cooperation with organizations of the Ukrainian diaspora. [passage omitted]

Pavlo Zhovnirenko, one of the Association's leaders, acquainted journalists with the appeal of the UYA addressed to the Ukrainian Soviet Socialist Republic Supreme Soviet by the second assembly of the Association. Some of the appeal's main points were the following: the government of the Ukraine should juridically recognize the fact that a Ukrainian population exists outside the borders of the Republic; bills on Ukrainian citizenship should be worked out on the status of such citizenship, especially for those of its holders living in other republics, so as to enable their participation in Ukrainian elections, referendums, and so forth; the Ukrainian Soviet Socialist Republic Supreme Soviet should create a parliamentary commission for matters of Ukrainians living in foreign countries. [passage omitted]

Moldovan Region To Urge Union Treaty Signing

LD2306221691 Moscow Radio Moscow World Service in English 1900 GMT 23 Jun 91

[Text] In the Soviet republic of Moldova, its left bank Dnestr area is to urge the central government in Moscow to let this region sign a new Union treaty. The issue of joining the treaty, apart from the secession-minded republic of Moldova, is to be considered at the session of the Supreme Soviet of this rebel area, predominantly inhabited by the Russian-speaking population.

The session is to open there on Monday in the city of Tiraspol. This is being done to secure nonindigenous population of Moldova living in its left bank area from nationalistic-oriented policies of Moldavian leadership that currently refuses to sign a new treaty of the Union.

During the countrywide referendum in April, over 80 percent of the population of the left bank area of Moldova voted for signing a new treaty of the Union, though on the entire territory of Moldova this referendum was not held.

Caucasus

Georgian President Gamsakhurdia Interviewed

AU2006140791 Tbilisi SVOBODNAYA GRUZYIA in Russian 11 Jun 91 p 1

[Interview with Georgian President Zviad Gamsakhurdia by Austrian Television correspondent Artem Ogandzhanyan in Tbilisi, date not given: "Equal Rights for All"]

[Text] [Ogandzhanyan] I congratulate you on your election to the elevated post of President. Certain ill-disposed people in Europe are spreading the rumor that the national minorities in your Republic have some sort of problems. I have spent an entire week in Tbilisi and have noticed nothing of the sort. What is your view of this?

[Gamsakhurdia] Many thanks for your congratulations. As far the national minorities supposedly living badly in Georgia is concerned, that is a lie spread by the Kremlin and the people it has bought off. It is disinformation in its purest form. In actual fact, you will hardly find any other country like this where people of all nationalities live so well and in such harmony. The national minorities enjoy all civic and cultural rights. First and foremost they have schools, newspapers, airtime on the radio, theaters, and all the rights of cultural autonomy. No one oppresses them or discriminates against them. So all these rumors are lies spread by the enemies of our country.

[Ogandzhanyan] What are your policies toward the national minorities?

[Gamsakhurdia] We give the national minorities constitutional guarantees that they will possess equal rights with the entire population of Georgia and the Georgian people. No one will discriminate against them or oppress them, and all their cultural rights are guaranteed, as I said. They can use their own language, their own schools. Religion, culture.... All this is retained. There is no danger for them in Georgia, nor will there be.... Those are our policies regarding the national minorities.

[Ogandzhanyan] Tbilisi has traditionally been a city of brotherhood between various peoples. Will that tradition be continued?

[Gamsakhurdia] Yes, people of all nationalities have always lived amicably together in Tbilisi, and that is how things will continue. You only have to visit the old part of the city to see houses of worship belonging to three different religions in an area of one square kilometer: a mosque, a synagogue, and Christian churches—a Georgian Orthodox church and Armenian Gregorian church. So this is a sort of symbol of unity, friendly cooperation and harmony among people of various religions and nationalities. This tolerance is a characteristic feature of all of Georgia's history, and I am sure it will continue.

[Ogandzhanyan] What contacts do you have with Moscow?

[Gamsakhurdia] We have rather undefined relations with Moscow, since Moscow itself has not yet defined its position toward the six republics that have refused to sign the Union treaty. Now, as you know, the union of nine—Nine plus One—is being set up. This union has stated that it considers the other six republics to be foreign states. This is a good thing for us and inspires hope that in the future Moscow will ultimately recognize the independence of Georgia and the other republics....

[Ogandzhanyan] If Moscow does not recognize your independence, what will happen after that?

[Gamsakhurdia] In that event, of course, our relations with the Soviet Union will become more complex. However, we are relying on the remainder of the civilized world and on the fact that the democratic world, the democratic countries, will recognize our right to independence and will recognize Georgia as an independent country.

[Ogandzhanyan] Do you think it possible that Georgia might remain part of the Soviet Union?

[Gamsakhurdia] It is out of the question for Georgia to remain in the Soviet empire because this has been a national catastrophe for Georgia and the Georgian people. We will fight in every possible way for liberation from that empire.

[Ogandzhanyan] You have assumed the role of intermediary in settlement of the conflict between Armenia and Azerbaijan. What steps do you intend to take in that direction?

[Gamsakhurdia] I have said that I wish to act as intermediary between those two countries and two peoples to restore peace between them. I have sent letters to Mr. Ter-Petrosyan and Mr. Mutalibov. I have already received a reply from President Mutalibov agreeing to a meeting in Tbilisi between us, but so far there has been no reply from Mr. Ter-Petrosyan.

[Ogandzhanyan] Is a settlement of this conflict possible?

[Gamsakhurdia] That is what we want. Georgia has an interest in peace throughout the Caucasus, and particularly between our closest neighbors—Azerbaijan and Armenia.

[Ogandzhanyan] Your family has always had warm and close contacts with many Armenian writers. What are those contacts like today?

[Gamsakhurdia] That's right, we have had very great links with Armenia, and my father was on very friendly terms with prominent Armenians. I, too, am very positively inclined toward the Armenian people and Armenian culture, and hope that there will always be good-neighborly relations between our peoples and that there will never be any misunderstandings on nationalistic or other grounds.

[Ogandzhanyan] What would you wish the Austrian people?

[Gamsakhurdia] I wish the Austrian people all the very best. Our links with Austria consist of quite good relations, friendship, and cooperation with individual companies. Austria has helped us build an excellent hotel. We hope that the cultural and political contacts between our peoples will increase.

[Ogandzhanyan] Thank you....

Deputy Alksnis Analyzes S. Ossetian Conflict

PM2106135191 Moscow SOVETSKAYA ROSSIYA in Russian 20 Jun 91 First Edition p 2

[Interview with USSR People's Deputy V. Alksnis by V. Litov, date and place not specified, first paragraph is editorial introduction: "Things Are Heating Up All The Time"]

[Text] USSR People's Deputy V. Alksnis was a member of the "Soyuz" association's parliamentary group which recently visited South Ossetia. He gave his impressions to our correspondent.

[Litov] The reports coming out of that region are reminiscent of reports from the frontline....

[Alksnis] There really is a war going on down there. A war in peace time. A war under the banner of "democratization" and "glasnost" in which people are being hunted down, persecuted, and even killed merely because they want to remain in the Soviet Union. Georgia, as we all know, has decided to secede. But the people of South Ossetia firmly want to remain, as the 17 March referendum confirmed.

The Union center, you would think, ought to side unconditionally with a small nation on whom the rulers of a larger nation are trying to impose their will. We have quite a few autonomous formations in our country and the smaller nations see the Union as the guarantor of the protection of their interests, especially since this is enshrined in the Constitution. Sadly, either the center comes to their aid too late or it abandons them to the whim of fate. That is precisely what is happening in South Ossetia now.

[Litov] But surely USSR Internal Affairs Ministry [MVD] Internal Troops subunits have been sent there: "In theory," they should protect the autonomous oblast's population from the extremist thugs....

[Alksnis] That is indeed the "theory!" But in addition to the "theory" there is also the practice. The center has been giving the Internal Troops one order after another: "keep a low profile," "show restraint, stay cool...." These defenders are essentially in the front line, the rampaging thugs are doing as they like right before their eyes. Many people simply throw up their hands in horror at such "prudence."

[Litov] Is there evidence of this?

[Alksnis] Plenty. A.N. Vostryakov, commander of a helicopter subunit, ordered the interception of an MI-8 helicopter which was transporting some heavily armed Georgian thugs. Thanks to that action the lives of many South Ossetian civilians were saved, civilians for whom those cutthroats—I can find no other word for them—were planning bloody reprisals. Someone in Moscow took a dislike to Colonel Vostryakov's order and the recommendation of a decoration for his combat services was rescinded.

Here is another example. Around 100 members of the so-called Georgian "national guard" occupied the settlement of Kvaisa, in the state of emergency zone, which was abandoned by its inhabitants, and disarmed Colonel Bobrovnik, commander of the MVD operational group's troops, who approached them and tried to persuade them to go back where they had come from. Again the center issued a ban on the adoption of any measures against these insolent bandits. It would seem not to matter if there are great mounds of corpses so long as the Georgian leaders do not bother the top leadership in the Kremlin with unpleasant telephone calls and telegrams. Otherwise they'll appeal to the United Nations for help....

[Litov] Your irony is hard to understand: Restraint and composure are essential in settling interethnic conflicts.

[Alksnis] The problem is that we are assessing a real situation according to criteria which are purely hypothetical and divorced from life. Political extremists from either side, it is argued, are "going to extremes" and getting people worked up. The only way out, they say, is to follow the "golden mean" and seek a "compromise" on the basis of "dialogue" and "consensus" between the two sides.

But in the first place the "two extremes" no longer exist: There has long been only one—the desire of the Georgian nationalist leaders to utterly wipe out the South Ossetian autonomous formation and bring its people to their knees. Second, armed Georgian formations, on Tbilisi's direct orders, are carrying out punitive operations in the truest sense of the word against the Ossetian population: There is the blockade of Tskhinvali, the destruction of whole villages, hostage-taking, and the murder of civilians including old people and women.

I am not trying to vindicate the actions of Ossetian thugs but any even remotely objective person who is familiar with the situation will acknowledge that these actions are for the most part retaliatory. These people, reduced to despair, are simply forced to take up arms to save their own lives and those of their children and near ones. But how can you possibly equate the actions of those who are trying to "pacify" a whole people by fire and sword with the actions of those are defending them, albeit not always by legal means? The pragmatism of the center, which for opportunistic reasons is playing the part of an "arbitrator," is condemning tens of thousand of people to suffering both on the Ossetian side and the Georgian side.

You would think that the events which developed according to the same pattern in the Baltic, Moldova, Armenia, and some other regions would have forced the Union leadership to make major adjustments to its bankrupt course of "consensus." Regrettably, they are now trying that course out with the same "success" in South Ossetia....

[Litov] Pardon my candor, Viktor Imantovich, but you are not being entirely objective here. To the best of my knowledge, the USSR MVD has taken firm measures in this region....

[Alksnis] I am talking about the general course, not individual aspects, they do not set the overall tone, they only leave an impression of contradictoriness and irresoluteness. When, for example, B.V. Gromov, USSR first deputy minister of internal affairs, went to South Ossetia he wasn't afraid to take responsibility upon himself, his actions were quite forthright and the armed formations began to disperse right before his eyes and the situation began to improve noticeably. But then everything went back to the way it was before. Some people in the center, it seems, really panicked at the hysterics of V. Gamsakhurdia, the "leader" ["vozhd"] of the Georgian people, and his entourage and another volte-face occurred....

Our leaders at Union level have recently been complaining bitterly about their powerlessness: What can you do, they say, when decrees, laws, and resolutions are not carried out.... They are powerless because there is a complete lack of determination and will to use force when necessary. And they are not being carried out because everyone has long understood that fact and some are exploiting it for their own ends.

In Tskhinvali and Tbilisi I met with many servicemen, MVD staffers and staffers of the Special Purpose Militia Detachment. I am not exaggerating when I say that virtually all of them think precisely that way, many of them are deeply ashamed. Before the military's eyes a whole nation is being subjected to calculated humiliation, harassment, and destruction and cannot be properly protected against this most brutal repression because the center is afraid of accusations of "violence" and "terror!" Yet terror is precisely what the Georgian nationalists are using. Sobbing eye-witnesses have told me how old Ossetians froze to death, as the press has reported, and how people were tortured with red-hot irons placed on their chest and face....

And Tskhinvali itself is now a city completely under siege: homes destroyed, countless electricity outages and disruptions of water and food supply, and periodic gunfire and explosions. You have to see all this with your own eyes to understand the true cost of the arguments about "consensus" and the "agreement of all the sides" about which we have long since grown sick and tired. Do you know who the most brutal people on earth are? The abstract humanists! They themselves do not shoot or kill, but through their own lack of principle and faintheartedness they bring to power those who elevate brute force to the level of state policy.

[Litov] Excuse me, but it is necessary to be more specific here.

[Alksnis] Certainly. I would remind you that a commission of USSR, RSFSR [Russian Soviet Federated Socialist Republic], and Georgian people's deputies was set up to settle the conflict situation surrounding South Ossetia. Then its chairman, USSR People's Deputy V.V. Gusev, signed a document which effectively abolished South Ossetia's autonomy and proposed that its people capitulate to the chauvinist feelings of Georgia's leaders. Does Comrade Gusev, former first secretary of the Gorno-Altay Oblast CPSU Committee, where he certainly contended with ethnic problems, really not understand what the actual consequences of his position will be?

And take the actions of the leader of the USSR MVD investigation group in the region, Comrade Vinogradov. One evening our deputies' group visited the Ossetian settlement of Zar, where it met with local inhabitants. Immediately after our departure an MVD detachment rolled up there in armored personnel carriers [APC] to carry out a search. Why, one wonders. And the reason is clearly that some people want to make out that we support terrorists, although "Soyuz" has opposed and continues to oppose terrorism on both sides. It is no accident that the Georgian mass media sought to link our stay in South Ossetia with a further worsening of the situation there. And it turns out, as we ascertained, that the APCs were sent to Zar on the order of Comrade Vinogradov, who, incidentally, simply failed to find the time to meet with us.

[Litov] Quite a few commissions and groups have visited South Ossetia, and if he were to meet with every one....

[Alksnis] I would like to draw your attention to the following characteristic feature. Quite a few conmmissions have indeed visited there, but we were the first deputies' group which arrived in Tskhinvali from Vladikavkaz rather than Tbilisi and which spent the night in the South Ossetian capital. Those who visited before us left to spend the night in Gori or Tbilisi: There you have hotels with every comfort, and it is safe. In Tskhinvali, however, you experience a host of everyday inconveniences, including lack of water and light, plus the nighttime gunfire and explosions.

Many Tskhinvali inhabitants and also refugees from Ossetian villages openly express bewilderment: Why does Comrade Vinogradov, who, you would think, should be in the thick of things, reside not in the South Ossetian capital, but in Gori, where high-ranking visitors from the center usually stay? People said bluntly that in Tbilisi and Gori representatives of the center are guaranteed not only complete personal safety, but also traditional Georgian hospitality in every shape and form.... What kind of trust in the impartiality of the visitors from Moscow can there be after this, our interlocutors complained? And it is difficult to raise any objection to anything here....

[Litov] Your sympathy for the South Ossetian side is quite evident. Yet its actions have not been irreproachable. I am thinking of the republic's declaration of autonomy and the attempt to secede from Georgia.

[Alksnis] That mistake has long since been rectified. South Ossetia has carried out the decision of the Union organs of authority to return to the position exisiting before the start of the conflict; the Georgian leaders not only ignore this, but are openly announcing their secession from the USSR. Moreover, as is well known, the USSR Supreme Soviet has recommended that a state of emergency be introduced throughout the territory of South Ossetia. The president of the Union, however, has ignored this recommendation. I wonder why.

It is time, high time, for us to make clear whether we want to preserve a united Union or want to utterly destroy it. If the latter, then we must simply come clean with people: You were mistaken in voting for a united federal and socialist Union on 17 March and now the president, together with the leaders of several republics, is countermanding that decision.... That would at least be honest.

[Litov] And how did the South Ossetian "democrats," who, as far as I am aware, also "breached" the decision on South Ossetia's secession from Georgia, prove to be?

[Alksnis] As soon as there was a hint of blood, they immediately retreated into the background. At one time they heartily cursed A. Chekhov, former leader of the South Ossetian Communists, for "conservatism" and "betrayal of the interests of the nation," but they have now fallen silent. And it is clear why: Communist Chekhov is now in the forefront of those who are are putting their lives on the line to fight for the interests of their people, and his "democratic " critics are neither to be seen nor heard. In Tskhinvali many people told us that they had learned through their own bitter experience who was who by their action rather than words.

Incidentally, some prominent figures from the "democratic" and "sovereignty" movement in Georgia have also retreated into the background. Take, for example, N. Gumbaridze, former first secretary of the republic Communist Party, or V. Advadze, one of the former comrades-in-arm of the current president of Georgia, Z. Gamsakhurdia. They have now taken up residence in Moscow, which you can understand from a human standpoint: It is extremely dangerous for critics or even for those who simply refuse to say yes to the current "leader" to be in their own republic. The regime set up in Georgia is little different from a fascist one in terms of its authoritarianism and intolerance toward dissent. But Gumbaridze and Advadze did, after all, do quite a lot to bring it to power.

And the same thing is happening in Russia, isn't it? It is time for us finally to adopt a sober rather than idealistic attitude toward grandiloquent words about "sovereignty," "democracy," "human rights," "fervent opposition to conservative forces," and such like. I am thinking here, of course, not just about the real "democrats," but also those childishly naive Communists who have managed to mislead themselves....

[Litov] So the sole possible solution from your standpoint is the use of force in South Ossetia?

[Alksnis] Of course, but only within the strict bounds of the law. In absolutely all countries the law provides for the use of force where need be. Now is a case in point. Further talk and persuasion, let alone wearisome appeals to "all sides," will only result in additional suffering, hardship, and finally bloodshed for hundreds of thousands of people.

Ter-Petrosyan Thanks U.S. Visitors for Help

LD2306194391 Moscow All-Union Radio First Program Radio-1 Network in Russian 1600 GMT 23 Jun 91

[Text] It has been said frequently that our society has begun to have a more open character. This is affirmed by the numerous foreign delegations of business people, cultural figures, and clergy coming to our country. For example, a group of political figures and representatives of business circles from the United States is in Yerevan now. They will participate in the opening ceremony of a reinforced concrete structures' plant. The enterprise was built on the resources and with the assistance of the American company (Hansman Chemical Corporation).

In the presidium of the Armenian Supreme Soviet, the guests were received by Ter-Petrosyan, head of the republic's parliament. He expressed great gratitude for the assistance.

The head of the American group, Senator (John Hansman) stressed that many foreign specialists are ready for business contacts with Armenia and will continue to lend assistance in eliminating the consequences of the earthquake of 1988.

Tension High Along Armenia, Azerbaijan Border

OW2406080991 Moscow INTERFAX in English 0930 GMT 21 Jun 91

[Following item transmitted via KYODO]

[Text] Tensions on the border between Armenia and Azerbajian remain high. According to reports from the interior ministry department in the Armenian-populated city of Kafan, on Thursday Kafan's airport and the adjoining section of motor road were fired at from the direction of Zangelan region of Azerbajian.

According to Kafan's regional council, several army units are expected to arrive there in the near future to monitor the state of affairs in the areas adjoining the border.

In the meantime the deportation of Armenians from Gadrut district of the Nagorno Karabakh autonomous region continues. In the past week alone more than 60 families were deported from local villages to Armenia by military helicopters.

Meanwhile Stepanakert's regional council reports that several dozen members of Azerbajian's OMON [Special Purpose Militia Detachment] arrived in Nagorno Karabakh's administrative center. They settled down in the building of the regional Communist party committee.

Situation in Nagorno-Karabakh Villages Reported

NC2106142491 Yerevan Radio Yerevan International Service in Armenian 1630 GMT 20 Jun 91

[Text] Residents of Khtsabert and (?Hintaglar) villages in Gadrutskiy Rayon have returned to their homes, and military guard posts have been set up nearby.

Meanwhile, the Azerbaijanis have been looting Pertosashen, Spitakashen, and [name indistinct] villages. The servicemen do not intervene, even when the Azerbaijanis fire at the villages, claiming that they have no orders to do so. Moreover, the Azerbaijani Special Purpose Militia Detachment has set up sentry posts in Dolanlar and (?Khantsadzor) villages.

A bus traveling between Stepanakert and Askeran came under attack on the morning of 17 June. The bus crashed into a Kamaz car after the driver was hit by a stone, causing minor injuries among the passengers. Three of the injured were taken to Askeran and another three were hospitalized in Stepanakert.

The situation in Shaumyanovskiy, Martuninskiy and Mardakertskiy Rayons is calm.

NKAO Residents Favor Talks With Azerbaijan

NC2006130291 Yerevan Radio Yerevan Network in Armenian 1730 GMT 19 Jun 91

[Text] The mass media in the Nagorno-Karabakh Autonomous Oblast [NKAO] is examining the latest interview with USSR People's Deputy Genrikh Pogosyan carried on oblast radio.

Initial reactions show that many residents agree with the people's deputy, who favors ending the policy of confrontation to extricate the autonomous oblast from the crisis. Pogosyan also wants a dialogue to begin with the Azerbaijani side.

The chairman of the production committee at the Stepanakert footwear factory in a letter to the oblast's paper says that negotiations are necessary. Plenipotentiary representatives from Nagorno-Karabakh, Azerbaijan, and Armenia should take part in the talks (?together with) a group of USSR people's deputies. A joint agreement between the two neighboring peoples would stop the confrontation. A worker at the same factory, Rafik Petrosyan, says that only those with lofty pragmatic and moral values [words indistinct] should attend the talks.

The real situation in the NKAO remains complex. According to preliminary reports, on the night of 18 June at around 2230, unidentified persons launched an armed attack in a section of Shusha-Stepanakert road on a VAZ car carrying three USSR Internal Affairs Ministry servicemen. Major Khomic and Senior Lieutenat Kolmanovich died in the attack.

On the same day, Hamlet Grigoryan, Armenian people's deputy from the NKAO and [name indistinct], director of a furniture shop in the NKAO, were released from a prison in Baku and sent to Stepanakert.

Yerevan Communists Discuss New Tasks

LD2206230191 Moscow TASS International Service in Russian 1455 GMT 22 Jun 91

[By TASS correspondent To Liloyan]

[Text] Yerevan, 22 Jun (TASS)—The tasks of the Communists of Yerevan in connection with the referendum on the secession of Armenia from the Soviet Union, which is to be held in three months' time, was discussed at a meeting of the party aktiv of the republic's capital held on Friday evening. [21 June]

The meeting noted that the Communists of Yerevan now have to work in a qualititively new and unfamiliar atmosphere. A law is in force in the republic on depoliticizing all enterprises, organizations, institutions, and educational establishment. The membership of the capital's party organization, once 63,000 strong, is falling.

S. Badalyan, first secretary of the Yerevan town committee of the Communist Party of Armenia, reported that of the 41,500 Communists of the town at last count, 18,800 are left. Some 17,000 are vacillating, and 8,600 have given up their party card. [figures as received] After the Supreme Soviet of Armenia made the decision to nationalize the property of the Communist Party, the town committee and five out of eight of the rayon committees of the town moved into one of the rooms of the building of the party publishing house. The new political situation is forcing a change in the forms and methods of organizational work and the creation of party structures practically from scratch. Now that the creation of party cells at enterprises has been forbidden by law, grass-roots grouplings are being formed by place of residency or by profession.

It is in under these difficult conditions that the Communists of Yerevan must do their work among their fellow citizens even more actively and explain all the unforeseeable consequences that the secession of the republic from the Union will have, it was said at the party aktiv meeting.

The position of the Communist Party of Armenia on this question is well known: The Communists are in favor of the republic participating in the Union treaty, since they consider the signing of this important document a stage on the path toward national independence.

Central Asia

Kazakhstan To Take Over Union Enterprises

PM1906220391 Moscow KOMSOMOLSKAYA PRAVDA in Russian 20 Jun 91 p 1

["Incidentally" report by V. Komarov]

[Text] As of 1 July all-Union jurisdiction enterprises located on Kazakhstan territory will switch to republic jurisdiction. President N. Nazarbayev stated this during a visit to Karaganda. Does the change of owner mean that diktat by the center, about which a considerable amount has been said, will be replaced by diktat from Alma-Ata? The government agency comments: Henceforth an enterprise has "the world at its feet; it does not need to be subordinated to anyone, its only obligation is to pay taxes to the republic."

Communique on Changeover

LD2006131691 Alma-Ata Kazakh Radio Network in Russian 1500 GMT 17 Jun 91

[Text] We are broadcasting the communique on the meeting between Kazakh Soviet Socialist Republic [SSR] President Nazarbayev and USSR Minister of Coal Industry Shchadov, USSR Minister of Metallurgy Soskovets, and USSR Minister of the Radio Industry Shimko. From 14 to 15 June a meeting was held in the towns of Karaganda and Temir-Tau between Kazakh SSR President Nazarbayev and USSR Minister of Coal Industry Shchadov, USSR Minister of Metallurgy Soskovets, and USSR Minister of Radio Shimko, with the participation of many managers and specialists from the enterprises of these key industrial sectors.

During the meeting issues were examined relating to the formation of a single republican order and production program, the creation of conditions for strengthening the economic independence of industrial associations and enterprises, and cooperation in resolving problems in socioeconomic development. The current crisis situation requires the adoption of resolute constructive measures to stabilize production, and the elaboration of methods of economic cooperation under conditions of affecting the republic's sovereignty and preserving the country's single economic area. The following were deemed expedient and essential:

—to implement consistently the formation of new production relations built on diversity of forms of ownership, economic independence, and responsibility of the enterprises' collectives.

—to implement the transfer of enterprises to the jurisdiction of Kazakhstan, viewing this as securing the republic's commitment and responsibility in the effective operation of such enterprises, while preserving the development of sectoral and inter-sectoral mutual links.

—to implement on a priority basis the financing of capital investments for the creation of new production facilities, which will ensure the integral use of the republic's raw material resources and their in-depth processing, and the production of high-tech output and complex varieties of consumer goods, simultaneously resolving problems of social development.

—to implement the consistent transition to the establishment of contractual prices for coal, metals, and other varieties of output, viewing this as a priority measure for ensuring enterprises' operation under market conditions.

—to implement measures for reforming the wages and social security of workers at enterprises and organizations, taking account of the specific features of the republic's sectors and regions.

Instructions have been given to the leaders of the appropriate sectoral and republican organs to prepare immediately specific agreements and programs for ensuring the effective operation and development of enterprises located in Kazakhstan. The communique was signed by: Kazakh SSR President Nazarbayev, USSR Minister of Coal Industry Shchadov, USSR Minister of Metallurgy Soskovets, and USSR Minister of Radio Industry Shimko.

Kazakh Leader Calls for Summit of Republics

PM2106093791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 20 Jun 91 p 1

[Interview with Kazakh President Nursultan Nazarbayev by unnamed INTERFAX correspondent 14 June in Alma-Ata: "Sixteen's A Crowd?"]

[Text] Nursultan Nazarbayev, president of Kazakhstan, proposed 14 June that the leaders of the 15 Union Republics should hold a separate summit with no representation from the center. This proposal was issued during an interview broadcast on Central Television. An INTERFAX correspondent asked N. Nazarbayev to explain his statement.

"I would not like this appeal to be viewed as a call to convene a parallel political summit," the Kazakh president said. "Life is forcing us to take this step. Since no initiatives are coming from the center, we have to look after ourselves...

"We are ready to welcome leaders of the republics and republic governments to Alma-Ata, or I am prepared to travel to any city in the Union."

Asked whether this summit could be evaluated as a demonstration of no confidence in the center, N. Nazarbayev noted that the actual act of convening such a summit can be interpreted in many ways, but the fact is that "the center cannot control the situation today."

Kyrgyz President Discusses Privatization Plan

LD2306225591 Moscow All-Union Radio First Program Radio-1 Network in Russian 1600 GMT 23 Jun 91

[Excerpts] We have already reported that in Bishkek an organizational meeting for a consultative council of workers attached to the president of the Republic of Kyrgyzstan has been held. [passage omitted] Much was discussed at this first meeting; among other things, privatization. Here is what President of Kyrgyzstan Askar Akayevich Akayev had to say:

[Begin Akayev recording] [passage omitted] A privatization program has been prepared by the Cabinet of Ministers. It is broken into two stages. The first is the stage of small-scale privatization, which means the retail sector, services, transport, construction, and so on. After that will begin the stage of privatizing medium- and large-scale enterprises. I believe this is where the role of the representatives of the working class, the role of the consultative council, begins. [passage omitted] [end recording]